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THE
GROUNDS AND DANGER
OF
RESTRICTIONS
ON THE
CORN TRADE
CONSIDERED.

PRICE 4s.

THE
GROUNDS AND DANGER
OF
RESTRICTIONS
ON THE
C O R N T R A D E
CONSIDERED:
TOGETHER WITH A LETTER
ON THE
SUBSTANCE OF RENT.

“ Nothing seems necessary for the repeal of such regulations but to
“ convince the public of the futility of that system, in consequence of
“ which they have been established.”

Adam Smith's Wealth of Nations, b. 5, c. 2.

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ADVERTISEMENT.

THAT the present age, so fruitful in genius of every description, can boast of casuists who dare assert the fitness of relaxing the long acknowledged rules of equity, in regard to specific contracts, according to the convenience of one only of the parties ; and political economists, who fain would preach up the expediency of taxing corn, will not, perhaps, by those who have observed the progress of the human mind, be matter of astonishment. But that the former doctrine should issue from the old school of social order and morality, and the latter from the new school of liberal, enlightened patriotism, was hardly to be credited. Little was it thought, that the one would hold the inconvenience of paying public creditors the whole, a sufficient plea for paying them a part only, of their due ; and little, that the other should at-

tempt to introduce an extended system of monopoly in articles of prime necessity. Had it been proposed to tithe the property of public creditors exclusively for the service of the state, would not the former have frowned with indignation at so revolutionary, so wicked a proposal? Had it been suggested to levy eight or six shillings in the pound upon the necessities of life, would not the scheme, from whatever quarter, have been reprobated by the latter as the height of human folly? Yet would it not have been far less injurious to the Stockholder to have paid him one-tenth less than his acknowledged due in undepreciated gold and silver, than in paper depreciated, probably two-fifths ; far more profitable to the mass of the community, that the produce of the soil should be taxed to such enormous pitch for the service of the State, than for the supposed exclusive benefit of the Cultivators or Owners of the soil?

It is with the view of exposing the main arguments by which the restrictive system is attempted to be supported, and of turning the minds of those who have been misled by them, as well as of the public generally, to the consideration of the serious

ills which threaten us, in case that system be prolonged, that the following pages are presented to the world. They proceed from no spirit of hostility to the landed interest; for that would be the spirit of suicide; but from a firm conviction that its cause has been, though not intentionally, betrayed, yet so ill understood and ill conducted, and with so little proper regard to its honour and true character, that it is high time some other principle and course of proceeding should henceforth be adopted, by those who really wish for, and would promote, its welfare.

May, 1820.

ERRATA.



- Page 50, l. 17, for *reduce* read *endure*
52, l. 5, for *from* read *in*.
54, l. 25, after *corn* insert *in case*.
63, l. 6, after *have* insert *all*.
69, l. 2, dele the semicolon.
75, l. 2, for the colon insert a comma.
85, l. 2, for *these* read *the*.

*The Grounds and Danger of Restrictions on the
Corn Trade, considered.*

THE alarm which has so repeatedly been sounded throughout the country by some over-zealous partizans of the landed interest, and as often answered by prompt and numerous manifestations in favour of the cause, has again burst forth. Notwithstanding the early marked disapprobation of their movements, which was in the preceding Parliament shewn by some members of the Government as well as others in the Lower House, and the appalling circumstances which have since occurred,—still are we threatened with some new attempt to raise the price of corn. And indeed it cannot be denied, that, even of those who lately stood so forward in declaring their opposition to any new measures for more effectually excluding raw foreign produce from our markets, some coupled their declaration with so warm an eulogy upon the operation of our existing Corn Trade Laws, that the principle of monopoly which they recognise seems to be as

firmly fixed as ever; while, from the line of policy now to be pursued in respect to our circulating medium, its practical effects, unless prevented by some timely act of the legislature, are likely to be most powerfully developed.

There indeed is something in this principle of monopoly itself which seems to argue the necessity of maintaining it, when once it is adopted; at least it is difficult to assign the limit beyond which circumstances might not, in the estimation of those who have hitherto advocated the policy of our Corn Laws, still seem perpetually to require some additional protection to our agricultural interests, by means of stricter prohibition, or imposition of heavy and heavier duties on the importations of foreign grain. As long as either an increasing or diminishing population may happen to require additional or less supplies of food, or it may be convenient to raise the money price of goods, for the sake of getting loose from engagements burthensome to individuals or the state, there will not be wanting ostensible or real motives, as well as ready advocates, for pushing the principle of monopoly a few steps further.

But let us try the question on its real merits in a few leading points.

As it would be absurd to contend for the utility of employing labour for the production of that which, however useful, may be procured without it,—for the fabrication of atmospheric air by means

of some expensive chemic process, when plenty is perpetually surrounding us; so is it, only in a less degree, absurd to contend for the utility of employing more labour than is requisite for any given purpose. If, at one-third of the expense of cultivation, Blackacre yields as much and as good corn as Whiteacre, no one can doubt which of the two it is most profitable to cultivate. If at one-third of the expense at which Whiteacre can be cultivated, such a quantity of broad-cloth can be manufactured, as when sold would yield a sum equal in value to, or with which we might purchase, the whole produce of Whiteacre; is it not as clear, that it is more profitable to employ labour and capital in such manufacture than such agriculture? But what is profitable for an individual here seems profitable also for a nation, which is but an aggregate of individuals. To waste either capital or labour is unreasonable in one case as well as in the other.

But it is not the mere waste of capital and labour, which may be the first and immediate consequence of mis-employing them on the cultivation of lands producing comparatively little in return that is to be considered. As it is according to the expense of raising corn, the prime necessary of life, that the wages of labour, and the prices of commodities in general, are chiefly regulated, it seems to be a matter of great moment that no useless expense should be incurred in raising it;

no impediment thrown in the way of procuring it as easily and at as low a rate as possible; so that every member of the community may not only obtain his requisite supply of this necessary, but also of the comforts and luxuries, of life, as cheap as possible; and the population, wealth, and prosperity of the nation be most rapidly and effectually promoted.

A strong case of public good to arise from a prohibition to import corn from abroad, excepting at high prices, in other words, to procure it at the cheapest rate, ought therefore to be shewn, ere a private natural right, as well as public and political benefit of such importance, be sacrificed in order to attain that good. The evil of prohibition is palpable. The good, therefore, ought to be so. It is not sufficient to say that such prohibition may probably, or even certainly will, be advantageous to this or to another class of men alone, or that in one, a narrow point of view, it may be advantageous to the state at large; but that on the whole the good preponderates, and greatly, beyond the evil.

Stronger grounds, therefore, are required in support of the prohibitory system than the benefit which it may be supposed to confer upon the owners of second or third rate lands, by insuring to them some annual profit on the cultivation of such lands. For if it be proper to separate the interests of this class of men from every other in the

community, to what do their pretensions in reality amount? They have lands confessedly not worth cultivation, if the free importation of foreign grain be permitted ; and therefore, say they, it ought not to be permitted. As if a plea like this can be allowed to be of any weight in the great scale of public justice! Where is the injury to owners of such poor, ill-conditioned soil, though denied the privilege of compelling others to purchase its scanty produce, in order that the expenses improvidently incurred upon it may be returned with some little, however unreasonable, profit? What right is infringed upon by such denial?

Neither is it enough to say that, by prohibiting the admission of foreign corn, more hands are employed in agriculture at home. For though it were unquestionably true, is it not equally so that those hands might be more profitably employed in the working up of goods exchangeable for a greater quantity of corn, if permitted to be imported duty free, and therefore in effect be conducive to the maintenance of a greater number of people?

The only reasonable ground on which the policy of restricting the importation from abroad can be argued, seems to be the danger attending a dependence on foreign countries for supply. And yet it seems not without reason to be urged, that the failure of the harvest in any country usually supplied in great measure from other countries,

is likely to be less severely felt, than if it were usually wholly independent,—that where the ports have commonly been closed against all foreign grain, it probably will not be so readily directed towards them in time of scarcity, as if they were at all times open for its reception, and regular communication held with other countries usually enjoying a redundancy; where the soil and climate are more genial, and the harvests more generally propitious. Of the frequent failure of our own, we have of late years had abundant proof. Not only have the crops of wheat, but corn of almost every description has failed extensively throughout the kingdom; shewing how little dependence we ought to place on our home produce only for constant and complete subsistence.

That the united kingdom might, however, in common seasons, be brought to bear sufficient for the inhabitants, can hardly be disputed, notwithstanding the large importations which have of late years taken place. Indeed it may reasonably be supposed that those auxiliary supplies were more the consequence of our high prices proceeding from excess of currency, not balanced by a corresponding depression of exchange, than of any such real deficiency of our home supply, as of itself would justify either that advance of price, or that vast importation from abroad; so vast as at times to produce considerable re-action in our markets,—and

at length to rouse the Legislature to deliberate and decide upon the expediency of checking, and, except in seasons of real scarcity, prohibiting the importation of foreign corn for our home consumption.

But in venturing to establish a system of high prices, the Legislature seems egregiously to have erred in its attempts to establish our independence of foreign countries. This, however, was possibly the secondary, the other the primary, object of its measures. Be that however as it might ;—the best security against inadequate supplies of corn appears to be the habitual growth of a larger quantity than is usually consumed at home; in other words, to grow in part for exportation. And it is absurd to think, unless our average prices are below the prices in foreign markets, (allowance being made of course for the difference of exchange,) that exportation can be profitable. In seasons of extraordinary abundance, it then might be enough if foreign markets could be found to take the surplus produce at something more than the usual prices of those markets; which might be raised in consequence of simultaneous deficiency of supply. The establishment of high prices, and concomitant expedient of prohibitory laws, such as those recently enacted, seem therefore wholly inconsistent with such security. We dread a competition, even in our own markets. We are apprehensive, nay, we full well know, that the foreign grower would undersell us in

them, if at liberty to do so, after paying all the charges of freightage and insurance. How then can we bear a competition in the foreign market subject to the like charges? The more powerful the argument for securing abundant home supplies, the more powerful is that against high prices.

Our imports formerly were frequently exceeded by our exports of bread corn. But our prices then were lower far than they have lately been. Our population, it is true, has since considerably increased. But larger tracts of land have at the same time been brought into productive tillage; and much remains, in Ireland especially, to be profitably cultivated. Moreover, the new system of husbandry which has of late years been introduced, is doubtless conducive to the more copious produce of the soil in general. Is it not, therefore, probable, that under such circumstances our exports might oftentimes again exceed our imports of bread-corn, if our prices were reduced nearly to a level with those of other countries?

Whether our soil possess that natural fertility or capability of artificial improvement, which may enable us to enter into fair and equal competition in the production of corn with neighbouring or distant states, I will not venture to assert. But we are not destitute of advantages far from unimportant. Our active and extensive, though I trust yet incomplete population,—our enlarged but still increas-

ing knowledge of the art of husbandry,—our skill in the fabrication and employment of machinery,—our long-established and wide commercial intercourse,—our insular situation, and numerous seaports, roads, navigable rivers and canals,—and finally, our vast capital, which has been created from, or itself created, these advantages,—all combine to render this, perhaps above every other, country in many important respects so pre-eminent, that little apprehension need be entertained of the result, though the trade in corn were absolutely free, or at most but under very slight restrictions.* I speak of ordinary seasons. In such as are unfavourable, when the home supply falls far short of the demand, it is manifest our ports cannot be closed without extensive mischief.†

If, however, with advantages like those enumerated, our soil and climate are yet so unpropitious, that we should fail in our attempts at competition, even in our own markets, it is time that the clamour which has been raised on behalf of the landed in-

* The above-mentioned facilities for export may be considered as so many encouragements for raising a surplus produce beyond our home consumption.

† In the part of North-America comprised within the Illinois State, where land may be considered as almost free from rent, the average produce of an acre of wheat in favourable soils is from 20 to 30 bushels; being sold in the Chillicothe and Cincinnati markets at 3s. 4½d. per bushel. Dec. 1817.—See Mr. Fearon's Letters from America, pp. 217—257. He also mentions, that the price of flour at New-York was 45s. per barrel, (I presume, of 160lbs.) P. 127.

terest should cease, and that the country should no longer be wasting its resources, its capital, and industry, in supporting a system, attended with difficulties insurmountable; a system, illiberal and severe towards numerous individuals, as it must be impolitic and ruinous to the nation at large. At all events, it is fit that the sacrifice we make should be strictly measured with the advantages proposed from it; and not only that these should certainly be attainable, but worth obtaining at the expense of such a sacrifice. In short, unless it can be made to appear that there is real danger in trusting to supplies from abroad, from the uncertainty of receiving them in time of need, we are without the only argument worth adducing for the encouragement of agriculture at home, beyond the natural inducements held forth to individuals; and that, perhaps, will not be found sufficient to outweigh the consideration of those numerous benefits arising from a free or but little fettered trade on the one hand, and the deplorable calamities which may eventually issue from the want of it on the other.

It was, perhaps, an idle fear which we entertained, when the Continent of Europe lay as it were under the rule of one man, our adversary, and the United States of America were also opposed to us, that our country might perchance have been afflicted with the dreadful scourge of famine; if, when our agri-

culture had been neglected, corn had suddenly been prohibited to be shipped from all the ports which then were under the controul of those powers. Such fear, however, cannot now immediately alarm us. Though events, it must be admitted, may *possibly* arise hereafter to realize the danger. An imperial sway, as wide as that of France but now—a common jealousy of our prosperity, and more general confederacy against us, accompanied with more extensive failures in the crops at home and abroad. The contemplation of such events as these may still induce some persons, in their abundant caution, to join with a justly-celebrated writer in opinion of the expediency of a system of restrictions to insure a growth of corn at home nearly sufficient for our own subsistence:—an opinion, however, so far evidently founded more in an apprehension of evils which may possibly, than would probably, arise—in the contemplation of their ideal rather than their real magnitude; an opinion, the result of fear rather than of reason, and such therefore as ought not to prevail over great and important considerations of the surer ills which such a system may naturally be calculated to produce. The idea of our house in flames is terrific; but we do not therefore forbid the use of fire. This would be to subject ourselves to a real inconvenience, or rather misery, far outweighing the probable inconvenience or calamity we would avoid. The case in question is different,

no doubt. We debar ourselves the liberty of obtaining the necessaries of life at the cheapest rate, in order, we are told, to insure a regular supply. We close our ports, and contract our means of obtaining plenty, in order to secure it. I do not say the method is absurd; but surely it savours a little of absurdity, thus to provide a remedy for by the infliction of the very evil itself.

It is not, however, on the ground of security from famine only that the writer alluded to seems to take his stand in defence of the restrictive system; he urges his opinions, also, on the narrower basis of a comparative estimate of the pecuniary loss or profit resulting to the several classes of the community from the operation of that system; which, on the whole, it seems, he considers beneficial to the majority;—but apparently without sufficiently considering those great acknowledged principles of justice which ought never to be sacrificed on the dangerous ground of supposed temporary expedience, still less of any partial good, accompanied with extensive, though it were not perhaps with immediately equal, mischief;—principles, the preservation of which is of importance, next, if not equal or superior, to the existence of the government itself. For how can it well, or to what good end, exist without them? That the author should have laboured thus, contrary to his own declared interests and equity, to establish the restrictive system, can perhaps be accounted for only

on the supposition that the difficulty of redressing the evils which have grown out of an enormous public debt, and excessive, depreciated currency, appalled him. With an understanding so clear and correct, and judgment so candid, it is to be lamented that the question of our Corn Laws did not more forcibly present itself to him in a severe moral shape.*

For the rest,—the numerous scattered advocates for the new system of high prices, the petitioners for and patrons of monopoly in the corn trade, though active in their endeavours to promote the cause they have in hand,—it is to be hoped they will not so far prevail over the common understandings as well as interests of other men, as either to bear down by bold and loud assertions, or undermine by fallacious arguments, the plain principles either of justice or of policy; or, through their influence and ascendancy, urge the Legislature to the adoption of any fresh, or continuance even of the already adopted, measures for enhancing the price of the necessaries of life so much beyond their natural level, as most seriously to affect the vital interests of the community.

* “I own,” says Mr. M. “it appears to me that the necessary effect of a change in the measure of value on the weight of a large national debt, is alone sufficient to make the question fundamentally different from that of a simple question about a free or restricted trade; and that to consider it merely in this light is to expect the same results from premises which have essentially changed their nature.”—*Grounds of an Opinion*, &c. p. 42.

Though we admit, what we are not, perhaps, at all disposed to deny, that, in common seasons, the united kingdom is capable of raising corn sufficient for the subsistence of its inhabitants,—does it follow that we ought, at any rate of expense, to raise it; and with that view prohibit the introduction of foreign grain, excepting at enormous prices? How can such a proposition be seriously maintained? Though we admit the advantage, the expedience, if insisted on, of growing fully sufficient for our population; what has this to do with prices, unless to shew the advantage or expedience of low prices? It may flatter a nation's vanity to be independent of foreign countries for the supply of the common necessities of life. By an extraordinary concurrence of events, great calamity might befall it, in consequence of being greatly dependent on them. But as any argument, drawn from the former circumstance, of the absolute necessity of growing corn at home sufficient for our subsistence, is frivolous; so any, from the latter, of the necessity of establishing a high price for it if thus grown, may be shewn to be not less so. At all events, it must be needless to prove, that no possible advantage can accrue to British cultivators merely from our payment of enormous prices for such foreign, not to mention Irish corn, as may happen to be imported. For it is this which seems to have excited their present jealousy, while they use their utmost efforts

to maintain such prices for that which they themselves produce at home.

From the necessity of corn bearing a high price, we are reasonably to infer the impossibility of raising it, unless at a high expense of labour. But as the rate of the wages of labour must chiefly depend upon the price of corn, it should seem as necessarily to follow, that the lower the price of corn, the lower must be the wages of labour; hence the possibility of growing corn at a low as well as at a high rate. In other words, the increase or diminution of its nominal or money price does not alter its real intrinsic value, which may continue the same, whatever be its nominal or money price; therefore the same degree of encouragement may be afforded to its growth, whether that be high or low, provided there remain the same demand for it.

It is true, that a greater quantity of labour may be necessary for the cultivation of some soils than of others, in order to render them equally productive, if they can by any means be made so. Yet such labour being expended in the production of that which forms the chief component part of the price of all other articles, not only no greater facility for its growth, but no greater advantage from its sale, is afforded by the acquisition of a high than of a low price for it, when produced, supposing that price to be permanently established. If the price of bread corn be increased, for instance, from 6s.

to 10s. the bushel, and of other articles of necessity (the demand for them being presumed to remain the same) be increased, as they naturally would, in the same proportion, so likewise must the wages of labour; of common labour, for example, from six to ten shillings the week. And nearly the same rate of increase might attend the rent of land, the poor's-rates, and commodities in general,—if it were not that from the peculiar operation of high prices, as we shall hereafter have occasion more at large to consider, the increase of the poor's-rates might for a time exceed this general ratio, and thus affect the rent of land, whilst the real prices of commodities in general might in some degree decline.

It seems, therefore, a mistake, and not an immaterial one, to suppose, that in order to secure its cultivation, there is the least necessity that corn should bear a high price. Could this be perpetually, or for any great length of time, established, and yet its growth insured at a comparatively low rate of expenditure; were it not, in short, an indispensable article of subsistence to those employed in raising it, as well as all other persons; the extravagance of price might, for a while, prove an encouragement to agriculture, as it does in all other branches of industry. But such encouragement would tend to render corn more plentiful in proportion to the demand; since the quantity would be absolutely increased, and the demand, though not perhaps abso-

lutely diminished, yet remaining stationary, would scarcely equal the supply. But the more plentiful it is, the lower must its price become: the cause thus counteracting itself through its own operations. So, on the other hand, without the aid of artificial means to raise the price, the supply would soon be made to reach to the extent of the demand, as in the case of manufactured goods; and the nominal or money price, like that of the latter, depend upon the relative quantity of the precious metals employed in circulating them. To imagine that in a country, whose produce of corn is by the way confined to the consumption of its own inhabitants, and the price of every article of subsistence is, or ought to be, nearly proportionate to the price of corn, any real permanent advantage can accrue, either to the owner or cultivator of land, from the establishment of high prices, except on grounds hereafter to be noticed, seems utterly inconsistent with reason and experience. It is time that we correct our errors, and not by pursuing the shadow neglect the substance of real wealth.

To raise the price of corn is, in other words, to lower the value of money; which is here to be understood as consisting of the precious metals, though any common standard may serve the purpose. But as by lowering it in one country we render it more valuable in others, it sooner or later quits the former for the latter; and thus, by a na-

tural re-action, a more equal value is restored to all. This may not indeed be the work of a month or year, but of a series of years; not confined to the transactions of this or that country in particular, but of many; and is the effect of a principle which I apprehend will be found to prevail, notwithstanding all the interference of governments to clog and impede the naturally beneficial tendencies of free industry and commerce.

For it is manifest that by raising the money price of corn, and hence of all other commodities grown or manufactured at home, a check is given to the importation of the precious metals; which would flow from, rather than into, a country, where the prices of commodities are already above the level of those of the surrounding countries. The merchant will not exchange his gold and silver for the raw or manufactured produce of this, when he can purchase the like produce at a considerably lower rate in another country. His aim would rather be to sell the latter here, where he may obtain a larger quantity of gold and silver in exchange for it.

Thus high prices encourage the importation of foreign goods without encouraging the exportation of our native produce, but merely that of the precious metals. As soon as the country is deprived of its superfluity of these, or suffers such diminution of their quantity as renders what remains in it as valuable as it would elsewhere be, their exporta-

tion will naturally cease. These are not new principles, nor are they yet quite out of date. They are, however, so old, that I should be ashamed of repeating, had not so many seemed in ignorance of, them, or at least to deny them to be of any force amongst us, while the laws which regulate our trade are so strenuously opposed to them.

But, however opposed to them, such laws could probably only delay, and that unprofitably to ourselves, a return to the more natural state of things. Heavy duties may be imposed on imported goods equal to the forced reduction in the value of the precious metals. But is there no danger of retaliating duties? And though none,—is it not evident that this expedient must tend to prevent the introduction of such goods, and consequently to lessen the demand for our own manufactures, as well as for the superabundant precious metals circulating in our country,—both of which might otherwise be taken in exchange? If not—as an expedient to retain the precious metals, it probably would fail. For unless our manufactures were to fall in price, which would argue a reduction of the relative quantity of gold and silver, these would continue to be sought for as before. And though the duty on imported goods might be intended to operate only as a tax on foreign manufacturers and growers, compelling them to sell to us at a price proportionally reduced; it surely would little answer

such intention :—since it cannot reasonably be expected that they would sell at a reduced rate, unless they could purchase at a rate reduced proportionally. Neither are the means of effectually doing this altogether wanting on the part of foreign merchants, as long as they can exchange their goods with profit for the precious metals so depreciated, or for such manufactured or raw productions as, notwithstanding that depreciation, cannot elsewhere be procured by them at so low a rate.

The skill of its manufacturers and excellence of its machinery, together with great strength of capital, may indeed for a long time enable a nation to render many articles of merchandize comparatively cheap, and thus insure their sale abroad ; but these advantages will gradually subside, as its improvements are adopted by other countries ; which they doubtless the more readily will be, as the more profitable and important they appear.—

Whilst as all the vigilance which can be exercised is insufficient to prevent, especially in a free state, the secret introduction of commodities on which high duties are imposed, so opportunities are not wanting for the exportation of such excess of the precious metals as may happen, by extraordinary means, or under peculiar circumstances of manufacturing superiority, to have been introduced. The utter impracticability of effectually guarding against the clandestine transmission of the one, even

more than the admission of the other, is notorious ; and the laws which have here been enacted to prevent it, have, by men of intelligence, experience, and judgment, been considered as decidedly impolitic ; as productice of inconvenience and mischief, in a commercial as well as moral point of view ; and, in truth, of no material utility whatever ; —and they have, therefore, been at last repealed.

But if the imposition of heavy duties on all other imported goods would not effectually and permanently retain the precious metals, neither would the exemption of them from all import duty effectually and permanently augment their quantity, even should they continue to be imported. Like the natural sea tide, the influx would be equalled by the efflux. But since the main inducement to import the precious metals is their exchangeable value, or their command of raw or manufactured produce, the inducement to import them into a country already overflowing with them must chiefly be the comparative cheapness of certain manufactured articles, which, as was observed above, is likely to continue only for a time ; after which their power of attracting the precious metals would be lost.

It is, however, to be considered, that as low duties only can with prudence be imposed on certain foreign articles of raw produce, and some others must be left entirely free from duty, as being

the materials on which much of a nation's industry may be employed; and the high taxing, or at all taxing, of which cannot prove otherwise than injurious to the public interest;—by the copious importation of these, ready means are afforded of restoring, in some degree, the value of the precious metals, and that in a manner most advantageous in the result, by exchanging them for those articles. Nay, the importation of foreign corn itself, which in unproductive seasons at home must be allowed, fenced about, as in ordinary times it may be, with all the nice conditions of previous average market prices, and calculations of navigating power from this quarter and from that, affords, in a variable climate such as ours, frequent opportunity of attacking the principle of high prices; and, at one period or another, more or less remote, of equalizing, in some degree, among the civilized nations of the earth, the value of the precious metals. So averse it seems, is the natural order of things to the regulations by which their partial depreciation is attempted to be enforced.

If, then, the disease will remedy itself; if the changes effected by our corn laws on the value of the precious metals be counteracted by the very nature of things, what signifies either the repeal or the enactment of such laws? A simplification of the question, on the ground of its insignificance, it must be confessed, not much in favour of the ori-

ginal enactment. But mark the intermediate steps by which the balance of the precious metals is to be restored : whether our national industry be not impeded, our acquired wealth disposed of, for the benefit of other states, while misery and wretchedness are the portion of our own people.

Sic vos non vobis lanificatis oves!

Suppose, however, it were possible to devise means for obtaining and retaining a redundancy of precious metals, so that their value here should not exceed one half their value in other countries,—would there not, as soon as our manufacturing superiority had ceased, be a fall in the exchange, correspondent with the excess of our currency beyond its proper quantity ; that is, beyond the quantity which would circulate, if its relative value were equal to the relative value of the currencies of neighbouring states ? or a total stoppage put to all our intercourse with these, except by way of barter ? For the precious metals would not be a common measure of the value of the merchandize in both. And barter, too, could hardly be maintained without a repeal of the heavy duties on foreign goods, which would even at present operate as a prohibition on their importation, if the object of trading with us were not the acquisition of our superfluous gold and silver, or such manufactured articles as cannot, in consequence of our

superior machinery and skill, or other peculiar advantages, be elsewhere purchased at so low a rate.

What profit then, from the reduction of the value of the precious metals in this below their value in every other country? What the utility of establishing such high prices for the common necessities of life, that in seasons of scarcity enormous sums must be disposed of for procuring the requisite supplies from other quarters? We complain of this result, the natural result of our variable climate and continued high prices ; yet, at the same time, would aggravate the evil by raising them still higher ; and all, forsooth, under the vain pretence of encouraging the productions of our own soil ; which, on the contrary, appear, as has been attempted to be shewn, to be more effectually encouraged by the establishment of low prices. At all events, it can hardly be reasonably and consistently maintained, if any were so infatuated as to believe, that by the diminution of the value of the precious metals we in effect augment the productive energies of the soil, or the inducements to its owners to cultivate it. The increase of monied wealth or capital which may seem to attend the general advance of price, may also seem conducive to such improvement. But the real power of monied wealth or capital is to be measured, not merely by its numerical amount, but by the quantity of labour or commodities it can command ; which

becomes less in proportion to the reduction of the value of the medium of which that wealth or capital may happen to consist. To conceive, therefore, that, by raising the price of wheat to 80s. the quarter, or, which is nearly the same thing, by lowering the value of gold to less than one quarter of wheat the ounce, any additional quantity of the latter is likely to be permanently raised in this country, is an error, perhaps, of no inconsiderable moment. For the effects of such partial reduction in the value of the precious metals, look to the examples of Portugal and Spain, where they have most abounded. These ought to be sufficient warning to other states.

But what, in truth, is the real object sought to be obtained by the enhancement of the price of corn, to which the exclusion of foreign competition is acknowledged to be now necessary? Is it, that cultivated lands may not be thrown out of cultivation? that capitals expended on them may not be wasted? that rents reserved out of them may not be diminished? that the speculations of individuals may be protected in this, as in any other, branch of domestic industry? But it is contended, that the high price of corn does not insure its cultivation better than, if so well as, its low price; and that the value of all capital, as well as rent, depends upon the quantity of labour or commodities they can command, and becomes greater in proportion

to the reduction of the price of these. So that the capital employed on, and the rents reserved out of, lands thus recently improved, need not really and materially, however much they may nominally, suffer diminution by a reduction of the price of corn.

Indeed, when we consider the large capitals which have been employed in enclosing, breaking up, and bringing into tillage, many of our waste lands, for the purpose of growing corn; and which, it seems, in the opinion of those who urge the expediency of restricting the importation of foreign corn, cannot otherwise be protected; when we consider, also, the permanent annual expense of keeping such lands in proper heart and condition, and the comparatively small rent which they yield; it may well be doubted, not only whether the nation is essentially benefited by such improvements, as they have been termed, but whether the owners of the lands themselves might not, in many instances, have been better remunerated by applying them to their former or some other purpose,—to pasture or plantation. We know, indeed, that the speculations of sundry individuals have failed, not only from the reduction of the price of corn, but from the precariousness of the climate, or the inaptitude of the soil, if not of both. It may further be observed, too, that by neglecting the cultivation of the coarser sorts of grain, of oats or barley, for the sake of growing wheat, the loss of food, perhaps,

has on the whole been far from inconsiderable. To indemnify the undertakers of improvements such as these from the pockets of the public, if otherwise expedient and just, might, by way of precedent, be impolitic and pernicious.

Much has been said of the encouragement afforded to our manufacturers. But the grounds on which the claims of manufacturers and agriculturists for prohibitions and protecting duties are respectively founded, appear, in some essential points, most perfectly distinct and widely different. By prohibitions and heavy duties on the importation of foreign manufactured goods, we do not, as on the importation of foreign corn we do, enhance the price of labour, and, consequently, of all home-manufactured goods whatever. For the price at which these can be produced depends upon the price of corn. The expense of raising corn depends upon the price of the article itself. I do not mean to say there are not other circumstances which may tend to vary, more or less, the price of the one as well as of the other. But as it is the price of corn which must chiefly regulate that of labour, it is plain that the necessity of protecting our manufactures, by the imposition of heavy duties or prohibitions on foreign goods, arises, in a great measure, if not wholly, from the high price of corn itself. Therefore, to adduce the cases as essentially similar is erroneous.

Again : what serious injury is sustained by any class of people from the imposition of heavy duties or prohibitions on foreign manufactured goods, especially on such as may with ease be produced at home, and that in almost any quantity required ? The supply is almost sure within a little time to equal the demand, without the necessity of increasing, in any material degree, the expense of manufacture ; though, from a deficiency and consequent enhancement of the price of the raw materials, that of the finished goods may be augmented. And even, if for a time there were an almost total failure of supply, the consequences would not be tremendously afflicting.—We might well exist without them, or at least with patience wait till they become more plentiful. But without food we cannot live. A partial failure in the supply of bread must always be severely felt, and, if general, becomes most dreadfully calamitous. Even a suspicion of its scantiness is sufficient to raise its price enormously,—beyond all justifiable limits. The demand continuing the same, or nearly so, it is not lessened in proportion to the supply ; which, on the other hand, cannot certainly and suddenly be so increased as to meet the regular demand. We cannot only calculate upon and ascertain, but pretty certainly insure, any quantity of raiment, and other articles of use and ornament, which may be required. But though we calculate upon and ascertain, we can by

no means insure, the quantity of food which may be requisite ; we cannot regulate the seasons.

Besides, the intention of prohibiting or laying heavy duties on certain foreign goods was not merely to encourage the speculations of individuals for their own private and exclusive benefit, but for the sake of augmenting the wealth and prosperity of the country, and deriving hence a revenue to the state. So far, however, as it regards the trade in corn especially, the restrictive system is not here now, as in former times it was, and in some other countries may still be, a politic expedient, for the reduction of the prices of the necessaries of life, the encouragement of industry in all its branches, and the acquisition both of private and of public wealth. In the early periods of civilization, from the infancy to the maturity of husbandry, prohibitions or protecting duties may not unwisely, under special circumstances, be established. A naturally fertile soil, but indolent inhabitants ; a stupid neglect of the readiest means to augment the strength and riches of a community, —by promoting the first and most useful of arts, the increase of human food, and maintenance of a more abundant population, may justify restrictions. But surely it will not be said that we are still backward in the knowledge of the art, or in application to the practice, of agriculture, that we are averse from, or any way discountenance, such experiments to render the soil more productive,

as the boldest theorists can devise. What numerous and enlightened associations! What eagerly-sought honours and rewards on success in the experiments they propose! What analyses of soils and manures! What exhibitions of ploughmen and of ploughs, both north and south of Tweed! What crosses and re-crosses of neat cattle, sheep, and swine! What more can be desired? Surely, with such advantages as these, the united kingdom might already have attained that degree of cultivation, which could in favourable, or shall we say in ordinary, seasons yield sufficient for the consumption of its inhabitants. If more land be brought into cultivation, for the sake of meeting constantly the demand, our variable and too frequently unfavourable climate would, notwithstanding, probably prevent the attainment of that object;—whilst, under the prevailing system of high prices, an occasional excess, much beyond the demand, must inevitably be followed by such reduction of the price, in consequence of the comparative cheapness of foreign markets, as must occasionally prove greatly injurious to British cultivators. Yet the established high prices of our markets would, in seasons of deficiency, be still further heightened to an excessive pitch, and importations from abroad encouraged, as we have of late experienced, far beyond what they would have been, had our prices generally been moderately low. These would consequently decline most rapidly, and thus

again distress the cultivator; so that, instead of eagerly augmenting the supply by further tillage, he would be apprehensive of too great plenty, and therefore rather limit it according to the certain actual demand, and narrowly to this. In short, that steadiness of price, that assurance of regular and constant sale, which is so beneficial to the landlord and the tenant, by enabling them to assign the fair proportions of the profits of the soil between them,—and so necessary for the due regulation of the wages of labour, and the prices of commodities in general, as well as to the fair observance of contracts,—is totally destroyed by the operation of the present system of restrictions: all is uncertainty and risk.

But independent of these considerations, while it cannot, on the one hand, be reasonably contended, that where there is an inaptitude of soil and climate for the production of corn, or any other raw produce, so that it could not be grown without much greater expense of labour than would be necessary in order to procure it from abroad, the wealth and prosperity of a country can be at all advanced by prohibiting, or laying heavy duties on, the importation of such produce, the effect of which, as has been shewn, must rather be directly the reverse, by preventing the employment of capital in more profitable undertakings; it must, on the other hand, be admitted, that no one nation is naturally so far

surpassed by others as to be precluded from all possibility of competition in the works of art. Provided it be duly furnished with the raw materials requisite, and its industry be properly directed, it may possibly in time excel. A Phidias may flourish in the Cape of Good Hope; and the Hottentot boast a Venus to vie with the Medicean.* At all events, if the pursuit of such works do not occasion the neglect of others more useful or profitable, doubtless such pursuit must in some degree prove advantageous. But if it do occasion such neglect, it were absurd to listen to their idle claims to particular protection.

Exclusive of the comparatively small expense of labour to which they most of them are liable, the advantages possessed by other nations over us in regard to manufactures generally are, if any, (which may with reason be denied,) in effect so trifling, that the smallest encouragement to our own, provided the necessaries of life were moderately low, or not materially above the common level, would enable us to maintain for many years a decisive superiority, at least in some of the most important branches.

* An event the less improbable, since this country has passed into the possession of Great-Britain, and become the seat of British settlers; who may afford the artist some more perfect specimens of female symmetry, than he could find among the preposterous aborigines, or perhaps almost as preposterous Dutch colonists: for models may be considered in the light of raw materials.

We even yet excel in many, and in a few only are under the necessity of yielding.

When we contemplate, indeed, the amazing productions of our manufactories, and the ready sale which for a long series of years they have met with in all parts of the world, where admission has been allowed to them; combating successfully, till of late, with all rival productions in foreign markets, nay, forcing themselves into those very countries where the raw materials of which they are composed are actually raised, and where the price of labour is almost beneath comparison lower; it can hardly be supposed, that like foreign goods would, after the expense of conveyance hither, be sold with reasonable profit to the merchant, though the duties or prohibitions now imposed on them were absolutely to cease. Some of our manufactured goods there doubtless are, in regard to which we might be undersold, but they are comparatively of small amount. Yet to render free the trade in such as these, and exempt them from all import duties, whilst our corn trade laws remain in force, would surely be most impolitic, as well as most unjust. In regard to others, the mere expense of freighting would serve as a sufficient security against our being undersold in the home, though in that respect there would be a similar advantage enjoyed by some of our competitors in the foreign, market. But, on the whole, our insular situation, our numerous and well-con-

ditioned seaports, and other advantages before specified, together with the abundance of our coal and iron stone, afford us such facilities of conveyance and for manufacture, as cannot be obtained by art alone; whilst our skill, and capital, and enterprise, are not surpassed, if equalled, by any nation of the earth. We therefore fairly may conclude, that if heavy duties or prohibitions still seem necessary for the protection even of the least of our manufactures, it is in consequence of the high price of the necessaries of life, rather than from any reasonable apprehension of the results of universally free competition. Suffer the price of labour, without injury to the labourer, to be reduced, by reducing the price of corn to the level which it keeps in neighbouring countries, our manufactures would need no further protection whatever.

But with no artificial impediment, if we except the operation of the tithe system;* on the contrary,

* That this system, when strictly enforced, discourages improvement, is pretty well seen and acknowledged. But as modified in practice, is seldom more injurious than the common system of leasing for short terms of years. For how else does the former operate as a bar to improvement, than by preventing the cultivator from reaping the full benefit of it? Does it materially alter the case, whether the landlord or the parson should participate in the profits? Tithe is rent, payable, but seldom paid, in kind. And whether he who receives it wear a coat of black or of green, is really but of small importance to him who pays it. Were tithes abolished, who but the owners of the soil would be materially benefited, after the expiration of subsisting leases, when a proportional increase of rent would of course take place? Tithe owners, at least the clergy, as far as

with every idly fancied, as well as deeply pondered, encouragement to the growth of grain, what is the quantity exported? Prohibit totally all importation, is it probable a single bushel would be exported? Is there a foreign market that would not instantly reject it at the price which can be had for it at home? Whilst, notwithstanding our restrictions, the quantity imported is so considerable as still to excite the cupidity of our land-owners. Without restrictions, therefore, the importations would be much more copious, and the price inevitably fall much lower. So that it is evident we are indebted to the corn trade laws, if not alone yet chiefly, for the late, and even present, exorbitancy of price. Nay, was it not notoriously with the view of establishing its minimum, though some may say its maximum also, that they have been enacted?

Hence, then, also there arises a distinction far from unimportant; since it seems mainly, if not merely, with a view to public revenue, or else to counteract the natural effect of the high price of corn, which would serve as an encouragement to foreign competition with our manufacturers in our own markets, rather than for the sake of giving them any, whether fair or unfair, advantage, that

the author has seen, are as ready to compound, and on at least as favourable terms to farmers, as their landlords would afford, being as ready to allow them the full advantage of improvement.

such heavy duties, or prohibitions need any longer be continued on foreign manufactured goods. But if they be yet continued really with no other view than that of encouraging our own manufactures, the landed interest would have but slender cause of jealousy or complaint.

What, however, would be the consequence of repealing the protecting duties, which are, it seems, the more offensive, because they fall in part upon the land? Must not taxes to the same amount be levied otherwise, and equally on the productions of our own soil or labour, by an aggravated system of more general assessment or excise? And how much less would this affect the agriculture of the country? Even now complaints are made against the oppressive operation of this method of taxation on the land. But would not its weight then become intolerably greater? Whilst as the demand for many of our home manufactured goods would be diminished in consequence of the supplies which would be received from abroad, so the demand of our manufacturers for corn and other raw produce of the land would likewise be diminished. For though, in exchange for foreign goods imported duty free, a larger demand might arise for some of our manufactures, yet the chief demand at first would be for the precious metals, which might thus be obtained with increased facility and profit; and till the equilibrium of these were well nigh

established, by which the prices of all things (save perhaps occasionally of corn) would be brought to their just level, our manufacturers could hardly hope to receive from abroad an equivalent for that loss of demand in the home market which a repeal of the import duties would occasion. If, indeed, the trade in corn were likewise open, the price of labour would be so reduced, they could scarcely, as I apprehend, be undersold, either in the home or foreign market, and therefore their demand for our raw produce would speedily revive or continue unabated. But to suppose that this, at its present price, would be exported and exchanged with profit for foreign articles, though to be imported duty free, is childish in the extreme. It would be the least marketable of our commodities. As, however, the precious metals would rapidly escape, the prices of raw produce, as well as of other goods, would rapidly decline, and with them rents; for it should not be forgotten, that, notwithstanding this complaint of the heavy pressure of our import duties upon land, and the protection they afford to our manufacturers, it is by these duties that high rents and prices are in part upheld.

Let the landed interest, then, be satisfied with the comparison which may be drawn. Let us no longer hear such murmurs about monopolies, fostered by impositions and prohibitions, for the protection of our *manufacturers*. Let these no

longer be adduced as grounds of precedent or analogy for establishing a monopoly in respect to grain. But let the partizans of such monopoly endeavour on some other principle to advocate it, and to justify the legislature's interference to augment, or non-interference to reduce, the price, at present much too high, but lately carried to so much higher pitches of extravagance.

Enough has indeed been said in reprobation of the taxes charged indirectly upon agriculture; and many still affirm that it is to these its difficulties are chiefly and unquestionably owing, and from which it may boldly, therefore, ask indemnity, by means of restrictive laws, and regular high prices. Admit that taxes charged on horses, on implements of husbandry, or any article of necessity, so far as they augment the expenses of production, may fairly, if they can, be thrown on the consumer of the produce, so as to indemnify the cultivator; though it may be doubted whether taxes such as these do not eventually fall in great measure upon the owner of the soil.* Yet well aware as they pretend to be of the impolicy of taxing the necessities of life, so contrary to the first principles of sound political economy, but so congenial, in a slight degree at least, to the practice even of some modern statesmen; would it not have been far better for the nation and themselves, if the efforts of

* See Adam Smith's *Wealth of Nations*, vol. iii. p. 336, et seq.

our landholders had been directed to the repeal of these obnoxious imposts, instead of aggravating the evil, by establishing a monopoly and minimum of price by way of compensation for them, though far exceeding all just measure? For what, in reality, is the amount of such taxes beyond what it was when the price of corn was comparatively low? Is it so great as to justify more than the least perceptible advance of price?*. Within these twenty years the average price of corn may be considered as increased two-fifths. Had the taxes affecting the cultivation of land, and within that period actually imposed, been augmented ten or twenty fold, they would not justify the late high prices, still less the attempt to fix as it were the minimum of wheat at eighty shillings the quarter, and of other grain proportionally. So important, indeed, have been the improvements in husbandry within the same period, that to suppose any additional weight of taxes, with which the land is now burthened, would disable the cultivator from rendering its produce at the same rate as heretofore, even if he himself, and not his landlord, were ultimately charged with it, provided no other cause existed to enhance the price, is a notion utterly inconsistent with every fair conclusion from easily ascertained, if not generally acknowledged, facts.†

* We here speak merely of parliamentary, not parochial, levies.

† Suppose ordinary land to yield but twenty bushels of wheat per acre, an advance of sixpence per bushel would produce from one

But the poor's-rates are to be considered. Many efforts have been made to exonerate the land from this oppressive load; and greatly as, in some particular instances, it is to be lamented, and highly desirable as it is to afford relief in them, on what ground do land-owners found their claim to general relief? Without minutely inquiring into the policy or justice of the laws when first they were enacted for maintenance of the poor, and why the land has become mainly charged with it; though it ought always to be borne in mind, that in manufacturing districts, where these rates run highest, the value of the land is greatly augmented by the manufacturing establishments, and the rates are chargeable, more or less, upon the manufacturers themselves, who at the same time afford the means of support to many families which might otherwise prove a weighty burthen on their parishes throughout the kingdom; whilst the value of land has moreover generally been much augmented by the increase of demand for its productions, in consequence of the additional population, for which our manufactories provide employment: without inquiring or qualifying further on these heads, is it not enough to insist, that lands are purchased with full knowledge of such incumbrance, and the price

hundred acres fifty pounds. What farmer pays to government taxes, direct or indirect, upon the cultivation of his land at that enormous rate?

of purchase fixed accordingly? For what pretence has he to claim exemption, or the least indemnity, who, when treating for an estate, considers well or ill, and at his peril, the actual and probable outgoings, the present and the future, and agrees upon a price he deems the worth of the net income only? He may be mistaken in his judgment and his prospective calculations. The charges may prove more than he expected. They may perchance prove less. A matter of pure speculation. It is hard if others are to suffer from its failure, who would not benefit from its success; but more especially hard, if, as it appears, the land-owners themselves, by the conduct they have long pursued, and are still pursuing, effectually contribute, and would yet contribute more, to raise the real amount of poor's rates much beyond their natural level. If Philoges think fit to purchase an estate bordering on the sea, and subject, as he knows, to frequent inundation; it surely is not consonant to justice, should his cattle happen to be drowned, that others should be made to pay the forfeit of his rashness; still less if he himself had cut the bank, and thus facilitated the water's entrance.

It must naturally have occurred to those who have in the least investigated the subject, that our poor's rates have increased with the increase in the price of grain. But as long as they did not advance in any greater ratio, we heard but little of their

pressure. A rate of *five* instead of *three* shillings in the pound on the rack-rent annual value, was not to be deemed a grievous load, provided that instead of *six*, *ten* shillings were obtained for every bushel of wheat, and a proportional advance on every other article which our farmers bring to market, even when reckoning the annual value of the total produce from three to four times only the amount of annual rack-rent value; especially in those instances where the actual rent was, under the existing leases, much below that value. The case at present is, however, somewhat different; and from almost every quarter we hear of their intolerable weight. Landlords by degrees availed themselves, and not unjustly, of the advance of price, and raised their rents proportionally; leaving, perhaps, a bare sufficiency for their tenants, after having made allowance for all future, according to the previous, average amount of the outgoings. But these unfortunately have been augmented, without proportionally augmented prices of raw produce; and hence the present difficulties. The reader will anticipate the cause to which this state of things may be ascribed. It is of importance, however, just to trace the progress in regard to the sudden augmentation of the poor's-rates.

In consequence of our excessive paper currency, the nominal or money price of corn having been greatly raised in this country, opportunity was

soon afforded for its importation from abroad almost free from duty, till the Act for more effectually restricting it was passed in 1815. This comparatively open trade proved the more beneficial to our manufacturers, on account of the increased demand which was made for their goods, as the course of the exchange became more and more unfavourable to us, and thus in effect enabled foreigners to purchase them at a rate proportionally reduced. While, at the same time, the profit attending the exportation of gold and silver was gradually lessening, in consequence of the approximation of their value in this to that in other countries, by means, in part, of the almost free admission and plentiful supply of foreign grain. Hence the real wages of labouring manufacturers became much advanced, notwithstanding the advanced price of corn. But, subsequently, the Act of 1815, by raising the importation price nearly in proportion to the depreciation of our currency, and thus influencing the course of the exchange in an opposite direction, and lowering the value of the precious metals accordingly, has, on the contrary, put a check to the exportation of our manufactures, which cannot be purchased at so low a rate, that is to say at so low a bullion price, for the foreign market; and it is natural, therefore, that the demand for them should be diminished, and the precious metals sought for in preference, as a more profitable commodity for export. The

necessary result of this diminution of demand for our manufactures, has, of course, been the employment of fewer hands, and payment of lower wages for those employed. Hence an increased application to parishes for relief, and increased rates charged upon the land.*

Thus may we easily and shortly deduce the heaviest evil of which they now complain, from the very source whence it was conceived, by the advocates for the corn laws, that nothing could issue but what was advantageous to the landed interest. And yet, with such plain facts before their eyes, they persist in requiring more rigorous restrictions. They complain of the pressure of the poor's-rates, yet would multiply the force of a system naturally calculated to aggravate them. They seem altogether to forget that it is the general increase of demand for labour which can alone effectually improve the condition of the labouring classes, and elevate above the class of paupers those who have not wages adequate to their maintenance. Surely the gain is pitiful, or rather the loss serious, which land-owners must experience from so forcing up the price of corn, that the demand for labour be-

* It may be worthy of remark, that the operation of high prices on such of our charitable institutions as are supported only by specific sums of money granted long ago is to reduce the efficacy of such funds, and render a larger portion of the poor chargeable on parish rates. This is an evil but partially experienced, yet may, notwithstanding, in some instances, be found extremely grievous.

comes so materially diminished as to render the augmentation of the poor's-rates greater in proportion than the augmentation of the rent of land; which, after all, is rather nominal than real, if in proportion only to the advanced price of its produce.

But, besides the increase of demand for manufacturing labour, and consequently real, though not nominal, reduction of the poor's-rates, which resulted from the open corn trade, there might have seemed at first some compensation even for the nominally augmented rates in the real, though not nominal, decline of wages to agricultural labourers. Since the increase in the price of the necessaries of life, which resulted from the excess of paper money, was not immediately and generally followed by a correspondent increase in those wages, which is commonly resisted to the utmost. It is lamentable, indeed, to think how small a real advance has in some districts taken place within these twenty years. Whilst the price of wheat has risen from six or seven to ten or twelve shillings the bushel, and occasionally much higher, wages have been raised in the proportion only of one half the difference, nor every where so much as that. But whatever increase of the poor's-rates may have originated from this cause, it is plain the landed interest can have no just reason to complain of it, since what is paid in rates is saved in wages. And,

in either case, the augmented price of farming produce would indemnify the farmer.

Yet the mere depreciation of our currency could not of itself alone have effected so important a change in the condition of our working classes as they have actually experienced. Their wages would, though gradually and slowly, at length have risen nearly in proportion to the relative increase in the quantity of the circulating medium; the demand for labour continuing the same. But as, in consequence of the virtual suspension of our late corn laws, we became furnished, as already noticed, with larger supplies of grain, and at a lower real price, than if these laws had any practical effect, the demand for labour seems to have been positively increased. We, therefore, in this point of view, may reasonably conclude, that, till the enactment of our present corn laws, the poor's-rates were substantially reduced by the operation of the paper money system, though nominally augmented with the nominally augmented price of provisions. But the real augmentation of the poor's-rates, which has taken place in consequence of our present corn laws, is such, I apprehend, that in some, it is to be hoped but few, parishes the land is hardly able to sustain the pressure.

All this may seem but theory and dry conjecture; yet it is much in favour of what has been advanced, that it has reference, on one hand, to the flourish-

ing condition of our trade, previous to the late alteration of our corn laws, during a period of *war*, when the weight of taxes was extraordinarily severe, and the occasional deficiency of the home supply of food remarkably distressing; and, on the other, to its subsequent declining state in time of *peace*, comparative abundance, and relief from no small portion of our taxes. We have been told, indeed, that our prosperity was owing to the circumstance of war, and calamity to that of peace; but surely a more reasonable solution of the cause of each should be required, and humanity no longer be insulted by doctrines so hostile to her feelings and her interests.

Should the view, however, which has here been taken of the subject of our poor's-rates appear correct, it may be matter of surprise, that landholders should have the conscience to ask for general relief from them, by charging them on others, either by direct assessment, or by recurring to the very means which have been already tried, and found to be not inadequate alone, but highly prejudicial. Their claims to such relief seem wholly inadmissible upon the score of justice. As a matter of mere charity and generosity, if not of policy, it may be worthy the consideration of the public and the legislature, whether the average of the last few years ought not to be declared the maximum of poor's-rate chargeable on land; I mean not the

specific average amount which has been charged, but the ratio of such average to the average real annual value of the land to be the highest ratio of charge in future, whatever be the value; and all deficiency in the amount of sums so chargeable, below the necessary expenditure for maintenance of poor, to be supplied either by a tax on land in general, or by taxes affecting other property as well as land. Such schemes as these have, if I mistake not, been suggested, and deserve attention. But should the latter be adopted, it seems quite indispensable to justice that it should be accompanied with perfect freedom in the corn trade; not only in consideration of the burthen to be borne by those who now are, for the most part, comparatively almost totally exempt from it, and that it is, therefore, fit that any additional burthen should be made as light as possible, the amount of poor's rates being at all times governed in great measure by the price of provisions; but that if this be so exorbitant as to render it impossible to employ the labouring classes with profit in the production of goods for the home or foreign market, it is a plain proof they ought to be reduced; as it would be the worst of tyranny and oppression, as well as folly and absurdity, in such a state of things, to interdict the people from purchasing the necessities of life at a far cheaper rate from abroad.

In the preceding observations, the subject of restrictions on the corn trade has been treated with reference to the commonly alleged grounds, and natural and practical tendency, of such restrictions in general. Some remarks, however, have incidentally been made on the countervailing effect of the depreciation of the currency prior to the adoption of the present subsisting regulations in 1815. What may have been the real intention of the chief promoters of these regulations, whether more effectually to depress the value of the precious metals, by which the course of exchange might appear to be improved, and the issue of paper money to be restrained within due limits, or simply to check the importation of foreign grain, that more might be raised at home, or higher prices gained for whatever might be raised there, they themselves best know. There seemed, however, to arise on this occasion a partial coalition of the parties usually in opposition to each other, not consisting of individuals only, whose interest lay chiefly in the land, but of some few others, who, entertaining certain melancholy notions of financial expediency, no doubt looked forward to some favourable result to our resources from the new measures.

It might easily, indeed, for some time previous to the introduction of these measures, have been perceived, that the provisions of the Act of 1804 had become an inadequate remedy for the effects of

our paper money system on the trade in corn; though it does not seem that all who interested themselves in the question clearly saw the almost absolute dependence of the latter on the former; at least it was to other causes that the facility of underselling the British grower in his own markets was pretty generally ascribed,—to the pressure of the taxes, parochial and parliamentary; tithes and high price of labour; to say nothing of high rents, which were deemed, perhaps, of trifling import. But the pressure of the rest, it was conceived, could not be materially lessened, without the sacrifice of interests which ought to be upheld as sacred. And yet, regardless as it seemed of some of these as well as other interests in reality not less sacred, the question was, how to enable the patient farmer to reduce the burthen, if not remove it. To feed him with high prices, was most gratifying to his appetite, if not most likely to afford him some truly invigorating nourishment; and as the readiest means of doing this, recourse was had to the expedient of prohibiting the importation of all foreign corn for the British market, when the average prices were below the limits newly to be specified, and thus, as it was thought, of establishing a minimum. The legislature, seemingly well satisfied of the justness of the representations which led to such a measure, and of the propriety of the measure itself, hardly stopped to examine how small an advance in the

price of the produce of land would fully indemnify the cultivator from all taxes which had recently been imposed, and were necessarily attendant on the cultivation of it; or how much the recent improvements in agriculture had kept pace with, if not outrun, and therefore in effect altogether negated the pressure of all such additional taxation; or how greatly the poor's-rates and price of labour must necessarily have been augmented by such advance in the price of raw produce as had of late years taken place, and how dangerous, as well as inconsistent and absurd, it were to admit any claim of indemnity in these respects, by means of regulations such as those proposed; that tithe was a fixed proportion only of the produce, and therefore that this burthen, ancient and impolitic as it might be deemed, has neither increased nor diminished by the variation of its nominal value, or amount of composition money. Still the fact was notorious, that large quantities of grain were annually imported from abroad, and threatened so to reduce the price of that grown at home as to prevent its yielding any profit to the British grower, or such as would be sufficient, after payment of the rent and charges to which he actually was subject. At all events, the competition was obtrusive, it was odious, and excited the jealousy and apprehension of our landholders: and well it might. For notwithstanding the market prices were as low as, or lower than,

they have lately been, our harvests probably not less abundant, but the rate of the exchange greatly unfavourable; yet it was deemed profitable, at much expense of freightage, and in some instances, it seems, after payment of a tax or export duty from the foreign country, to bring grain into this. Neither can any doubt be reasonably entertained, that if our present corn laws were now to be repealed, and the trade entirely laid open, so large would be the importation, that the prices would decline most rapidly, till they reached their natural level; in other words, till the value of the precious metals were restored; till the bullion price here approached so near to the bullion price abroad as not materially to exceed it, beyond the expense of conveying foreign grain to this, and the precious metals in return for it to another, country; while the paper money price would exceed the bullion price, or that at which corn might be sold in case there were no paper money, in the same proportion only as the quantity of paper-money now in circulation exceeds the quantity of gold and silver which would circulate in the same case.

Had the importation, therefore, been allowed to continue under the preceding regulations, which had in effect been rendered almost nugatory,*

* Suppose our currency to have been depreciated about 40 per cent. below the former value of gold and silver, (that is, when the average price of wheat was about 50s. the quarter,) as may be inferred from the limit prescribed for importation by the late Act:

it would have been attended with so great a drain of the precious metals, that what would have been left of them would not have exceeded the proportion which would naturally float in this country beyond what might have arisen by means of the previous corn laws. The depression of the exchange would more nearly, then, have equalled the depreciation of the currency, and have been a fairer criterion of its excess. A check would thus have soon been given to the importation of foreign corn, and the bullion price of this as well as of all other commodities would more nearly have approached the natural level: an event highly advantageous to the manufacturing, and, as it may be shewn, if it has not already been, to the agricultural interests also of the country.

What, indeed, can be clearer than that a demand for our home manufactured goods is infinitely more beneficial to our manufacturers, than that for the surplus of the precious metals? which is attended with an influx of foreign goods, perhaps no way or but little conducive to our real wealth and prosperity, but as being the means of restoring to those

the price of 63s. the quarter, which was the average at which it might have been imported under the preceding Act, paying only the small duty of 2s. 6d. the quarter, was equivalent to about 36s. only in bullion; at which price it would probably have been unprofitable to import it, in case it had fallen so low. So that in such case fresh regulations would have been unnecessary. The price, however, far exceeded 63s., and the preceding regulations, therefore, were inoperative.

metals the equilibrium of value, and thus occasioning such reduction of the bullion or metallic price, as to lead to a renewal of demand for our manufactured goods. And that a reduction in the price of corn would also, in like manner, tend to an augmentation of demand for our rude produce, independent of that augmentation which would arise from the increased prosperity of our manufactures, is not only deducible from principles already stated, but likewise from experience.

Under the corn trade laws, which were in force long previous to the suspension of cash payments in 1797, and therefore to the advance of price which was the consequence of that measure, considerable quantities of corn were occasionally exported, by the aid indeed of bounties towards discharging the expenses of transportation, when the prices were below the limits regulated. So that without looking for any further proof, it may fairly be inferred, that the average prices here did not reach, if at all exceed, those of the foreign markets, notwithstanding the then existing laws. The security against a glutted market was the settled lowness, or rather moderateness, of our prices, and probability of a profitable export trade in corn, of any surplus beyond our own consumption. Hence for nineteen years, from 1746 to 1765 inclusive, the imports, excepting in 1757, were constantly exceeded by the exports, the average annual excess amounting

to upwards of 690,000 quarters, and the average prices stated being 32s. 3d. per quarter of wheat, 17s. 8d. of barley, and 14s. of oats. During the five succeeding years, the home growth appears to have been unequal to the consumption, and exportation was prohibited. During the eighteen years, from 1770 to 1788 inclusive, the exports were on the whole exceeded by the imports, but chiefly in respect to oats, nearly to the extent of 5,000,000 quarters,* or at the average rate of 274,429 qrs. per annum. But the average price of wheat had risen to 44s. 9d., of barley to 23s. 7d., and of oats to 16s. 2d. the quarter.† The annual average prices during the first series having fluctuated between 26s. 10d. and 53s. 4d. and between 33s. 8d. and 52s. 8d. the quarter during the latter. Nor was it till the scanty harvests of 1794 and 1795, which were not long after followed by the suspension of cash payments,‡ that the yearly average prices, which were sometimes below, ever much exceeded the last-mentioned amount; nor till sometime after that they attained that exorbitancy, which has utterly precluded us from all attempt at competition in

• The excess of oats imported above the quantity exported is stated to have been 4,780,627 quarters.

† See the Report of the Committee of Privy Council, 8th March, 1790, with the Appendices.

‡ From 1790 to 1797 inclusive, the yearly average prices of wheat fluctuated between 42s. 11d. and 77s. 1d. the quarter, excluding 1795 and 1796 from the series; the highest difference between the yearly average amounted only to 11s. 10d. the qr.

the foreign market. During the continued prevalence of these high prices, the export, prior as well as subsequent to the recent alteration of our corn laws, has been constantly and often greatly exceeded by the import, not excepting the comparison of 1815, when the course of exchange being still much against us, the yearly average price of wheat fell to 64s. 4d. the quarter, and caused that terror and alarm to the landed interest which must ever attend abundant harvests, in a country where the prices in common years exceed exorbitantly those in other countries.*

It would hardly, perhaps, have seemed to suit the interests of any class, not even exactly that of agriculturists, that they should wait in patience till the paper money system had in its consummation wrought, as they might think, its worst; till the

* Neither is the moral evil, which such a state of things is calculated to produce, unworthy of our serious reflection. It has introduced amongst a class of men, whose character stood well for liberality, a sordid principle of selfishness, and want of feeling for the miseries of others, highly disgusting and offensive,—a disunion of common interest incompatible with the security of private property, and the welfare of the state. Formerly abundant harvests were the harbingers of universal gladness,—a blessing to the farmer, who participated in a nation's gratitude, satisfied with the assurance of a sale abroad for all the surplus produce of his land beyond the home consumption, without a diminution of his accustomed profits. But now how different are his feelings! Have we such abundance, the home markets are quickly overstocked; the prices fall full rapidly; but no relief can be expected from abroad. His rent continues high, but with abated means of paying it. To him abundance is the source of poverty and ruin.

value of the precious metals, which had been greatly lowered by the Corn Trade Act of 1804, should have been redeemed by means of copious importations of foreign corn, and corresponding exportations of those metals. Better, however, it might have been that the value of the latter should even thus have been redeemed, than have continued in that degraded state, from which it seems we have of late so eminently suffered. The remedy, though painful, need not have been administered much longer than it was, and it was such as nature has herself provided. But the value of the precious metals might have been restored by other means, and without the sacrifice of any just and real interests of British agriculture,—by extirpating the system of unlimited paper issues unexchangeable for gold, and forming, at the same time, such equitable arrangements in respect to previous contracts as might in consequence be requisite. Such measures would have effectually relieved the cultivators of land from all reasonable fears of unfair competition, and have placed their cause on a sure and solid footing: not perhaps without some comparatively trifling temporary difficulties, and new financial regulations, yet on the whole with infinite advantage to the community at large. But the policy of such measures was at that time doubted or denied. Nay, the fact of our currency's depreciation was not generally admitted, either in or out

of Parliament, and accordingly the plan pursued was widely different. Yet while it was professedly intended only to relieve the landed interest from an unequal competition, it established, unless during a gross depreciation of the currency, an absolute monopoly in the trade of corn at home, except when bearing exorbitant high prices,—a monopoly oppressive to the manufacturing and other branches of the people, and likely in the end injuriously to affect the landed interest itself. It may for a time, indeed, have formed a counterpoise to the depreciation of the currency, so as to guard our cultivators from foreign competition in the sale of corn below the prices limited for importation. But it so reduces the value of the precious metals to the standard of the currency's depreciation, as will hereafter more particularly be shewn, that it operates as a legislative veto to the export of much of our native produce, not only rude but manufactured, and hence as a mighty and a lasting check upon the industry of the people.

If, therefore, the efforts of our landholders were intentionally directed to the depreciation of the precious metals, such efforts were unjustifiable in respect to others, however they might in the event affect themselves. Though they sought only to counteract the effects of the paper system, that is, a depreciated currency, as being productive of immediate injury to themselves, by virtually abrogating the then

existing corn laws; they ought first to have considered the general policy and justice of such laws, and at least been careful that the new measures they proposed should not work still greater injury to others. They ought well to have been assured that the precious metals would not thence become still more depreciated,—an effect not necessarily resulting in any very material degree from the further increase and consequent depreciation of Bank paper; the evil of which, as far as our manufacturers and agriculturists were concerned, and ought properly to have been considered, would in a little time have been corrected by the fall of the exchange. Though rather than an evil, it was to them, for the most part, especially the latter, a substantial good.

But had land-owners duly weighed the general mischief which had arisen from the abuse of the paper money system, and considered how inadequate the alteration of our corn laws was to meet it, they could hardly have been satisfied with such a measure, or have doubted the expedience of at once reforming the paper money system itself. It was sufficient, we might have thought, had they perceived the particular injury which it inflicted on themselves. But the total annual loss of rent occasioned by it, in other words, the difference between the rents reserved by subsisting leases, and those which might have been obtained, had the lands comprised in them been out of lease, seemed to be forgotten,

though it well might baffle all their calculating powers; whilst their thoughts turned, notwithstanding, chiefly on the happy rapid augmentation of the prices of farming produce, and consequently of rent, (whenever opportunity might offer,) which the superabundant medium of circulation had likewise gradually effected. This, therefore, appeared so unquestionably advantageous to the landed interests; and, on the other hand, the free admission of foreign corn so evidently injurious to them, tending to the reduction both of price and rent; that land lords seemed anxious only to adopt the readiest means of maintaining them at the highest limit—a limit adapted nearly to the then depreciated state of the currency, if not more extravagant than that. Whence they naturally imagined they would possess the readiest means of meeting all the charges on their estates,—augmented taxes, and prices of commodities,—in a manner, at the same time, easy to their tenants, and advantageous and honourable to themselves.

The accommodation thus apparently afforded to the proprietors of land, by the joint operation of an excessive paper currency, and monopoly of the corn trade, was probably the main and most substantial argument for the adoption, as it since has been for the continuance, of this doubly restrictive system. “How,” say country gentlemen, “unless the price of corn and rents be high, can we pay

“ the taxes and other charges on our estates.” Yet would they then be guilty of a fraud? For what is it in effect but fraud to pay a debt with counterfeited money, or money so debased or so reduced in value, and partly through our own machinations, as to be equivalent to three-fifths or two-thirds only of the money borrowed? For whether we debase the money by actual alloy, or an excessive augmentation of paper money, unexchangeable without loss for gold or silver,—or otherwise reduce its value by artificially forcing up the prices of the necessaries of life, is in this respect of little moment. In their endeavour to establish high prices, do they not strive in reality to shift the burthen from the landed on the funded and the monied interests,—and at the same time deal a deadly blow upon the manufacturing? But they have not many of them the audacity to avow, if they have the dishonesty, which I trust but few of them have, to practise fraud. Yet how can they escape the imputation? They do not, all at least, openly or privately contend for the necessity of cancelling the public debt, or even any part of it. They do not declare the government to be bankrupt. Yet have not many of them countenanced the restriction of cash payments at the Bank of England, and excessive issues of paper money from country bankers, by which the currency has become greatly depreciated,—and afterwards by means of fresh corn

laws, contrived to lower the value of the precious metals themselves nearly to the extent of that depreciation; whilst in this depreciated currency, the claims of public as well as private creditors are legally discharged?

It is unnecessary at this time to tire the patience of the reader in pointing to the several instances of the cruel operation of the paper money system, which originally engendered the high prices, and of the corn laws which confirm them,—upon those persons especially who ought above all to be the peculiar care of government, the widow, the infant, and the indigent in general,—whose scanty property is in effect thus iniquitously invaded. It is enough to assert, without fear of contradiction, that thousands have been, and still continue to be, deprived of their undoubted due; and that in the aggregate to an enormous, and in many cases, considered individually, to a very serious and distressing amount, fixing a stain upon the government of our country which may never be effaced.

Doubtless we all regret these things. But how many console themselves with thinking they are unavoidable. Moreover they will say, debts and charges have been created since the depreciation of our currency; and it is fair the land should be protected from overpayment on account of these, which would happen, if the former value of our money were restored. A reason this against return-

ing to cash payments, and removing the restrictions on our corn trade, built upon the ground of the injustice which would ensue good, perhaps, for something in the mouths of those who have all along insisted on the actual depreciation of the currency, but of those who have all along denied it inconsistent and contemptible. Yet at all events it is but half a reason for the continuance of the present system. For he must be a sorry arbitrator who could not decide with some tolerable equity between the cases arising out of it. In vain might he attempt a perfect retribution. The time is past. But much might still be done, and better it were done quickly. We only aggravate the evil by delaying to remove it.

It is far from my intention to urge, notwithstanding something, but not sufficient, could be said, in favour of the justice of discharging the interest of the public debt entire in an undepreciated currency. But the value of the money borrowed ought to be the standard of that which should be paid, whether principal or interest. And any arrangement which may be made to effect such payments ought to satisfy the stockholder, and all other public as well as private creditors. If the currency of 1810 were depreciated to the extent of 30 or 40 per cent. for every hundred pounds now payable by way of principal or interest on the sums then borrowed, seventy or sixty only should respectively be

payable hereafter in an undepreciated currency. And in like manner, a certain ratio should be fixed for every such distinct period, since the suspension of cash payments, as appears to have been marked by any considerable alteration in the value of the currency. Thus may the whole principal and interest, payable on the public or any other debt, be fairly regulated. Any relief from taxation on the former score, or from private claims on the latter, beyond what such a regulation might afford, the landed interest can have no right to ask. Nor can it, whatever may be its legislative influence, be justified in maintaining high prices, either by means of forced excessive paper money, or restrictions on the importation of foreign corn, for any other purpose but such as this, even if for such as this. If it seek to throw a larger share of the burthen of taxation on any other class of people than their fair proportion of it, or to escape from the completely fair discharge of what is owing from themselves to individuals, the attempt is base and dishonourable; and the government, it may be added, which would intentionally sanction and facilitate such proceedings, would be unworthy of the confidence and support of the people. Ours, we trust, is so far otherwise, that now since the currency has been admitted to have been depreciated, (though not, I apprehend, to the full extent of the real fact,) it will not stop at a bare removal of restrictions from cash payments, but remove them also

from the corn trade, so far at least as will satisfy the ends of common justice.

Talk not of the difficulties of accomplishing such measures as are required, unless they can be shewn to be really insurmountable. If we cannot restore to all all their due, we may to many the greater part of it. Existing laws are not abolished, because they cannot reach exactly every offence against which they may be directed: neither ought the Legislature, from the like cause, to refrain from passing others needful: they will be good for what they do; not despised for what they leave undone. The subject which we contemplate scarcely yields to any in magnitude or importance. The mischief to be removed is vast beyond what we could have imagined would have been permitted to grow up to its present enormity, without some vigorous effort on the part of all honest men to correct it long ago. But those who saw and strove against it strove in vain. Its existence was denied, and by some we must admit as honest. Had they not been restrained by novel statutes, our courts of law would soon, indeed, have proved a safeguard to the rights of money claimants on the one hand; whilst, on the other, our courts of equity might, perhaps, without much stretch of authority and principle, have modified them according to its liberal rules. But both were soon obliged to bend beneath the gigantic force of the paper-money

system, which was not thus to be enchained ; its time was yet to run. It now, however, has begun to yield its strength. But with the continuance, the modification, or total abolition of the system, it is absolutely necessary to justice that some remedy should be provided against the daily breaches which it otherwise must suffer, against the perpetual violation of property which must otherwise be endured.

Without sufficiently or at all considering the flagrant injustice of such a principle, or rather its crying absurdity, there are those who, in their infinite simplicity, appear to think that, by way of paramount peculiar privilege, and as if it were necessary to the salvation of the state that they should live in undiminished splendour, not only their property in land should be exempt from all additional direct impost, but that its produce should from time to time be so augmented as to indemnify them from any other, to which they, in common with the rest of the community, may happen to be liable. So that the creditors of the public, after having advanced their capital for the public service, should alone, or together with other money or trading capitalists only, be taxed to pay themselves the interest. Now, with every due respect for the landed interest, and almost every unity of interest with it, I can see no good ground for violating those commonly received notions of justice, by which the frame of

human society has so long been held together, in order to secure this class exclusively, and at the expense of every other, from an overwhelming weight of debt. If the necessities of government have called for a large proportion of the property of the nation, it is fit that it should be yielded up rateably and fairly, according to their respective means. It is not in reason to be expected, at the close of so many long and expensive wars, bringing such heavy charges on the state, that the pressure should not be severely felt by individuals, from whatever sources their incomes may be derived. But to hold that the prices of the produce of the soil and rents are to be raised in proportion to the increase of taxes charged upon or payable by the owners of land, in common only with other members of the community, in order that they may be thus evaded by the former, is a doctrine reserved for the present times, but monstrous and absurd in these, from whatever quarter it may proceed. What! did not our land-owners join full as heartily as any other class in the war cry against France and her dependent states? Was not our sword drawn as much in the defence of their property, their laws, and their religion, of their wives, their children, and themselves, as of all that was dear to every other class? What just grounds or pretence have they to be excused from contribution; or exclusively and alone, amidst so many sacrifices, to

fatten untouched and sacred as it were in their holy places?

Upon the whole, are we not compelled to think, that the case exhibited on behalf of the landed interest wants argument in almost every point for its support? It was the chief error of our landowners not to combat in time against the depreciation of the currency. This they were able with success to do, and the country would have been indebted to them for the service; but they heeded not the warning voice of those who proclaimed the danger. They would listen to no counsel, aid no project for their deliverance from the thralldom to which they were subjected, but on the odious principle of monopoly.* They would not fairly meet and try their strength with their only enemy, but allowed themselves to be cajoled into an acquiescence, under the pernicious paper-money system, receiving from time to time such mere palliative, insufficient concessions in their favour as they thought would prove of benefit, but which have tended to the introduction of still more serious, because more general and lasting, mischief.

Having so frequently, in the course of our inquiry, had occasion to advert to the influence of

* These observations are intended to apply to them, not individually, but as a body. Had Lord King, instead of being vehemently censured as he was, been backed by the landed interest, both in and out of Parliament, we should not since have heard such dismal lamentations over its distress.

our superabundant circulating medium upon the corn trade, as well as our corn laws; on the state of the exchange and value of the precious metals, of which last, notwithstanding, in tracing the operation of the principles by which the commerce of nations is naturally regulated, we are brought shortly to conclude, that there is a perpetual tendency to equalize the value, in spite of all attempts to alter and degrade it in one country more than another; it may be proper to consider some of those peculiar circumstances, under which such attempts may happen to be made, and what has been the immediate effect of those which have actually been made in this country, before we venture to observe more fully upon their probable ulterior consequences.

In countries rich in the production of corn, it may matter little how high the importation price may be fixed. The supply would soon be made to reach to the extent of the demand, and even to exceed it; so that the market price could no longer be regulated by the importation price. But in this country, whatever may be the final result of restriction from importation, the more immediate is, I apprehend, to keep the prices, with occasionally great and rapid declension, frequently, and for no inconsiderable periods of duration, nearly up to the limits which authorize importation; and hence to reduce the value, not only of the currency, if before undepreciated, but of the precious metals

themselves, nearly in the same degree as the excess of the importation price of corn beyond its natural price, or that at which it might be sold in our markets in case the trade were free. It is not only the variableness of our climate which tends to favour this result, by preventing the home production of constant adequate supplies, but the hitherto unrivalled excellence of our manufactures, which have insured a continual influx of the precious metals; whilst our heavy import duties and strict commercial regulations have thrown impediments in the way of exchanging them for other foreign merchandize.

Without such means as these, it being plain that restrictions on the importation of foreign corn cannot actually increase the quantity of gold and silver which may happen to be in circulation, it may be questioned whether the general average bullion price of corn would, in fact, be much advanced by such restrictions. At all events, it could not be, without some great and violent check on industry, since, if the quantity of gold and silver absolutely remained the same, but the price of the necessaries of life were much augmented, the quantity of other commodities to be circulated must be materially diminished. At the same prices they could not, to the same extent, continue to be circulated, and by the supposition they could not be produced at less; on the contrary, the expenses of production would

be increased with the increased price of the necessities of life. Such effects must, therefore, be most mischievous.

But the average price of corn would, probably, not be materially increased. For supposing, that, in consequence of the exclusion of all foreign grain, we were driven to the necessity of raising constantly sufficient for our home consumption, it would not naturally follow that its relative value, compared with gold and silver, would be in the least degree augmented. Because more labour is employed in the production of corn, and more corn produced than heretofore, metallic money is not, therefore, rendered in the least degree more plentiful. The cultivation of land on Dartmoor cannot make the mines of Chili more productive, or attract a larger proportion of the precious metals from that or any other quarter; on the contrary, more labour being expended on the soil, and a larger growth insured, so as to correspond more nearly with the demand, the prices would decline, and be brought more nearly to the level of other countries.

We find, indeed, that the restrictive laws of 1670, though they imposed a duty of 16s. the quarter on wheat imported, when the average price was 53s.:4d., the previous duty being only 5s. when the price was 48s., instead of causing any permanent augmentation of that price, were, after no long interval, followed by the contrary. From the

tables which we have, it seems that the average of the ten years ending 1670, was about 48s.:10d. the quarter; of the next ten, 50s.:8d.; but of the succeeding ten, 39s.:1d.* England was then comparatively backward in the arts both of agriculture and manufacture. Much and highly improveable land no doubt lay uncultivated; and it was with the view of promoting its cultivation, that these restrictive laws were then enacted. It probably, however, was never so foolishly intended as to reduce the value of the precious metals lower here than in other countries, but rather to prevent such reduction; nor to force the cultivation of lands, which could not be expected to yield a fair return. The former would have been a discouragement to agriculture as well as manufacture, and the latter an improvident direction, as it would tend to the waste of capital; and both would, therefore, have proved injurious to the common interest. Neither could the prices, whatever the intentions were, have been easily maintained beyond their natural level, when there existed no such extraordinary attraction of the precious metals from such superiority of manufacturing capital, machinery, and skill, as we have since attained.

* From 1690 to 1700 the average was much higher, being raised to 56s.:9d. but, doubtless, partly in consequence of the great diminution in the weight of the coin, and partly of the scarcity which, it seems, prevailed subsequent to the reformation of the coin. From the commencement of the last century, the average price of a long course of years hardly exceeded the lowest average above mentioned.

By the modern prompt expedient of putting paper money into circulation, the nominal price of all things may be raised to almost any pitch in this or any other country ; but the bullion price may, notwithstanding, rest as low in it as elsewhere, unless peculiar circumstances, such as have been mentioned, should operate to uphold it. For the nominal price of gold and silver would naturally rise, and nearly in the same degree, with that of other commodities, and their value, in regard to corn, would, therefore, remain but little affected by the excess of such paper money. But if the bullion price of corn were not advanced, it would be a nominal or apparent, rather than a real, rise of price. This nominal or apparent rise, however, is evidently not always insignificant in effect, but may be greatly otherwise; working, perhaps, a higher injury, in many instances, than all the attempts which have been made to raise the bullion price above the natural level by means of restrictive laws; which, as it has been contended, cannot of themselves alone, or without the aid of manufacturing superiority, effectuate the object, at least for any permanency.

But without restrictions on the corn trade, the bullion price of corn, notwithstanding our manufacturing advantages, could not be long maintained above the common level. We may observe, indeed, that when the corn trade laws of 1804 were, as

already noticed, rendered almost nugatory by the depreciation of our currency, large quantities of grain were annually imported, so as materially to affect the bullion price, which was at length reduced from upwards of an ounce to .74 or nearly three fourths of an ounce of gold the quarter of wheat, the average bullion price of three months next preceding the enactment of the present corn laws; the average money price but just surpassing the limit below which the heavy duty of 24s. per quarter then attached on importation, which, probably, under the then existing state of the exchange, could not, therefore, profitably have been continued, if below that limit.

Our manufacturing superiority alone could scarcely have so enriched the nation with the precious metals as to have rendered thus completely nugatory the corn trade laws of 1791, which fixed, as it were, the importation price of wheat at 50s.; still less those of 1804, which, in like manner, fixed it at 63s. subject only to the trifling duty of 2s. 6d. per quarter; or, if it had, they would, ere long, in consequence of an augmented importation, have again been rendered effective. So that they might till now have remained unaltered, and yet in force, had there been no excess of paper money. But as the immediate effect of this excess was to lower the value of the coin, and, in time, successively to annul those laws; so

did those laws themselves, the former, perhaps, only in a small, but the latter in a material, degree: though the subsequent laws of 1815, prohibiting the importation for home consumption when the average is below 80s. the quarter, do in a much greater degree, whatever may be the final result, operate, under the peculiar circumstances in which this country has happened to be placed; to the reduction of the value of the precious metals themselves; which appear, indeed, to have been, by these means, adapted to the value of the currency for the time being;—a contrivance, ingenious enough for certain purposes alluded to, though in the end, perhaps, somewhat mischievous. It has had, however, the unexpected effect of stifling the clamours of many who were urgent for a return to cash payments, on account of the alleged depreciation of Bank paper, whilst it seems to afford a ground of triumph to those who ventured to deny it. Yet it has so far actually advanced the cause of the former, as to deprive the latter of one of their chief arguments against such return, namely, the unfavourable state of the exchange, and vast difference between the mint and market price of gold and silver. Although a little reflection might have convinced both the one and the other, that by the alteration of our coin laws the value of our currency became subject to another and far different test.

For though the state of exchange, and price of gold and silver, have often been advanced, conclusively, as it was thought, to prove the excess of currency, or the reverse, as it might happen; yet this can strictly be taken only with reference to its value compared with the precious metals. So that if the medium of circulation, though consisting of paper only, be not so abundant as to exceed the quantity of the precious metals which would circulate in case there were no paper money, it might, rightly perhaps, be said not to be excessive. But it is evident that these metals may be depreciated in one country more than in others; and that they are so, whenever the increased bullion price of corn, the chief necessary of life, cannot be maintained, excepting through monopoly. This, accompanied with great superiority in regard to capital, machinery, and other arts of manufacture, may, for a time, and even for a long time, retard the fall of the bullion price of grain, or, in other words, the rise of the real price of gold and silver, so as to depress the one far below, and uphold the other far above, their respective levels in surrounding countries. How far these objects have lately been attained, and how they have been counteracted by the means already mentioned, let us proceed more particularly to inquire.

Supposing the price of corn to have derived no additional value from inadequacy of supply subse-

quent to the alteration of our corn laws in 1804, and taking the average price of gold at this period at 80s. the ounce, and of wheat at 60s. the quarter,* which was therefore worth three-fourths of an ounce of gold; taking also the average price of this in 1805, as before, at 80s. and the average price of wheat 87s.:10d. consequently as worth 1.0977, or nearly $1\frac{1}{10}$ ounce of gold; it should seem, that the immediate result of the corn trade act of 1804 was to lower the value of that metal nearly to the extent of 32 per cent. But this increase of the bullion price of wheat arose, perhaps, in part, from insufficiency of supply; the average price of the *three* succeeding years, taking the price of gold as still at 80s. the ounce, being only .9625 of an ounce the quarter, or nearly 22 per cent. above the price of 1804. The average of the *ten* years immediately succeeding 1804 was, however, 1.036 of an ounce of gold, or nearly 27 per cent. above the price of that year. It is true, the average of *ten* years, ending with 1804, was .924 of an ounce of gold, but of these, 1795 and 1796, as well as 1799, 1800, and 1801, were years of extraordinary scarcity. These omitted, the average would be considerably below that of 1804; whereas of the

* In the early part of 1804, the prices were considerably below this; the average of the first five months not amounting to 50s. the quarter. The subsequent advance of price may, in great measure, be attributed to the subsequent enactment.

ten following there was not one, except the last, of which the average did not exceed it.

From what cause this continued high bullion price of grain, excepting that of real scarcity, can have proceeded, (for the excessive issue of paper money does not afford a satisfactory solution of every difficulty,) is hard precisely to determine. The average money price of every year was much beyond the importation price of 63s. the quarter; so that the Act of 1804 must be deemed to have been almost totally inoperative; whilst the course of the exchange was by no means so unfavourable, though greatly unfavourable it was for more than half the time, as to reduce the actual payment, except perhaps in 1814, so low as the average bullion price of 1804. It was natural, indeed, that the expenses of freightage and insurance, and the price of corn in parts abroad, should have been raised in correspondence with its increased bullion price in this country, the more rapid fall of which might thus for a time have been retarded.* Its extravagance at length, however, attracted such copious supplies, not only from Ireland, but other foreign parts, and the quantity

* It was remarkable, that while the precious metals were thus evidently much reduced in value, a notion prevailed amongst many commercial men, as well as some politicians, that they were extremely scarce; confounding all distinction between nominal and real value, they seemed unable to discern the difference.

produced at home by the extension and improvements of our agriculture, became in favourable seasons so abundant, whilst a diminution of paper money was also rapidly taking place, under the apprehension of an early return to cash payments, that the money and the bullion prices both at last declined, the former nearly to the limit below which the first low duty on exportation became payable, and the latter lower than in 1804. Soon, therefore, the evil of importation, if such it ought to be considered, would have remedied itself.

Acting, however, on the self-same principle as in 1804, the Parliament pursued the like method, and again it raised the importation price. The inefficacy of such laws in restraining importation, while the issues of paper money are unlimited, as well as in maintaining high prices during seasons of abundance, had not, it seems, become sufficiently apparent. Another proof was wanted, and accordingly the Act of 1815 was passed; which neither had the effect of immediately raising the price, nor, in the sequel, of precluding foreign corn from the British market. The supplies at first had altogether proved so copious, and the reduction of country bank-paper so general, that the price of wheat fell, not only below the average price of 1804, but to 52s. 6d. the average price of January, 1816. In the latter half of that year it rose, however, above 80s. the quarter, and in June of the following,

attained to 111s. 6d.; nor did it fall again below the importation price till the beginning of the year last past. But the interval of high prices had also again afforded so much encouragement to importation, rendered more profitable in consequence of the more favourable course of the exchange, and our harvests had since proved so productive, that the prices gradually declined to 64s. the average at the commencement of the present year; that of the last five appearing to be more than 78s.

The money price of gold, however, appears also in the mean time to have considerably varied, rising from £4 : 6s., the average at which it stood for nearly three months previous to the passing of the present Act, to £5 : 7s. the ounce, the price in the succeeding; then falling rapidly in the course of the same year to £4 : 3s.; and, with but little irregularity, gradually declining since to £3 : 17s. : 10½d.; the average of the last five years being nearly 82s. 6d. So that the average bullion price of wheat just previous to the enactment of 1815 being taken, as has been stated, at .74, or three-fourths of an ounce of gold per quarter, and the five years average to the present year at .93, it would seem to have increased nearly 20½ per cent.; about one-tenth less than the average of the ten last preceding years, and approaching nearly to the average of the next preceding ten, that is to say, from 1794 to 1804 inclusive, in

which it is to be remembered were four or five of extraordinary scarcity.

It hence appears that not only in the money price of corn a material advance has been effected, but also in its bullion price, which now in ordinary seasons has been raised as high as it formerly extended in those of great deficiency; and consequently that the value of the precious metals has, on the whole, become most perceptibly diminished. But as it cannot be denied, that without the restrictive laws of 1815 the bullion price of corn would not only have fallen lower than it lately has, but lower than in 1815; neither can it be denied, that the tendency of such laws is to uphold the bullion price considerably beyond the level of surrounding countries, so long, at least, as our unrivalled manufactures afford the means of obtaining, and our fiscal and commercial regulations the means of retaining, a superabundance of the precious metals. For though it may be true, that the frequent rise of the market price above the limit prescribed for importation for our home consumption presents repeated opportunity of lowering that price, which the higher it reaches is the more likely suddenly to be reduced, and thus be liable to dangerous extremes of fluctuation; yet the mean elevation has long been much above the common level of other countries, and so may possibly continue for some time longer: since a check is give-

to the issues of bank paper, by which the currency in general does not appear at present to be materially depreciated below the value of the precious metals, or the operation of the corn laws thence to be affected.

Plain as to many it appeared, that it was in consequence of our excessive currency that the corn laws of 1791 were superseded by those of 1804, and the latter by those of 1815; yet perhaps it was by few expected that these would work so important a change as seems to have taken place in the value of the precious metals. Not that the result has been at all unnatural, but that the vulgar vision did not immediately foresee it. Monopoly, and consequent high prices, were the chief objects of the landed interest:—a copious demand for manufactures in return for corn imported, and large profits upon importation, the object of the trading. Neither the land-owner, the manufacturer, nor merchant, looked, perhaps, much further; and the alteration in the value of the precious metals was probably but little heeded, excepting by the politician. So efficacious on the whole, however, appears to have been the operation of our present laws in lowering their value, that, notwithstanding the quantity of our circulating medium may not be much less than it was previous to the passing of those laws, when the market price of gold exceeded the Mint price to the extent of 15 or 20 per cent. and the state of the exchange was proportionably

unfavourable, the market price of gold has since become so materially reduced as not at all to exceed the mint price, and the exchange considerably above par; and this almost at a time when the average value of wheat was nearly equal to an ounce of gold the quarter,* and the foreign demand for our home produce notoriously and lamentably defective.

It may by some, however, still be doubted, whether this alteration in the value of the precious metals has arisen from the alteration of our corn laws. But, with a circulating medium increasing by such rapid strides from 1799 nearly up to the period of the enactment of ~~these~~^{the} laws, and perhaps at no time much more abundant than at the commencement of the year last past, the money prices of almost all commodities, excepting the precious metals, and even of these till the enactment just mentioned, being greatly augmented, and then subsequently so rapidly reduced as has been pointed out; is it not altogether reasonable with much confidence to infer, from the facts which have been stated, as well as from the deductions of theory, that it is to these laws that the great diminution in the value of gold and silver, which has taken place in this country, is mainly attributable? On what other principle, not excepting the supe-

* In March 1819, the price of gold was quoted at £4 : 1s. per ounce, of wheat at £3 : 19s. : 11d. per quarter.

riority of our manufactures, for this could not of itself long avail, if the trade in corn were free, can we satisfactorily account for their being so undervalued here? Other causes may, indeed, co-operate, but in a very slight degree, and with comparatively insignificant effect. Such as the facility afforded for the importation of these metals, which, by the way, has practically extended almost equally to their exportation, notwithstanding the difficulties which till lately have been attempted to be raised against it. The fresh supplies which are constantly poured forth from South America could not, though at first received, be long retained by us, were there no ~~res~~trictions on our corn trade. They would quickly, in exchange for that commodity, overflow to others not provided with their due proportion of them. Nay, these very restrictions themselves, though they primarily reduce the value, cannot to the end depress it much below the common level, but the equilibrium must be restored at last. The cylinder may continue to be more and more highly charged, but the fluid must escape at last, either by gradual and gentle dissipation, or by sudden and violent explosion.

It is the primary effect, however, which we have been here examining, from which we may conclude, not only that the influence of our recent corn laws in lowering the value of the precious metals has been most decisive, but will continue to

depress them as long as the issue of paper money does not prove so excessive as to render these former inoperative for the prevention of importation, or the failure of our manufacturing and commercial prosperity so extensive as to preclude us from the means of maintaining a superabundance of the latter. And further, it may be assumed, that, as the increased money price of corn and other commodities was, previous to the passing of these laws, a test of the depreciation of the currency, so has their high bullion price since become a test of the depreciation of the precious metals; tests approaching to identities.

Should it be objected, that, in comparing the value of the precious metals at different times in the same country, or at the same time in different countries, the price of corn alone ought not to be taken as the criterion, but that their value should be estimated from the prices of commodities in general; that these have not even here of late increased in the same ratio; and that although, compared with corn, the precious metals may be of less, yet compared with divers other commodities, such as coal or cutlery, cotton or woollen cloths of a given quality, they may be of greater, value, in this than any other country: Notwithstanding, it must be admitted, that the frequent changes in the price of corn are not to be received as proof of the general alteration in the value of the precious metals, yet that the average price for stated periods, that is to

say, for ten or twenty years, for instance, ought to be received as the test of that value during such periods, has been commonly admitted, and cannot reasonably be disputed. For since it is on the price of corn that the price of labour must principally depend, though influenced, of course, by the relative state of demand for, and supply of, each respectively, it follows that the prices of all commodities produced by labour must, in the long run, be principally regulated by the price of corn; which, therefore, seems to be the fittest measure of the comparative value of the precious metals, whether at different times in the same country, or at the same time in different countries. Although circumstances, natural or artificial, accidental or political, may occasionally appear to disturb, and either lessen or augment, their value, at one time or place more than another, in reference to certain articles of merchandize, the value of which, in regard to commodities in general, rather than gold and silver in particular, being different at different times or places, ought not to be considered as affording any satisfactory proof of uncertainty or alteration in the general value of those metals.

It is to be observed, indeed, not only that peculiar causes have long been operating in this country to counteract in part the effect of an increased medium of circulation or quantity of gold and silver on the price of corn itself, the raising of

which, as before noticed, has been under an improved system, which, therefore, would naturally have reduced its real price; but also that by the valuable improvements in the sciences and arts, by the application of newly-invented machinery, and more economical processes in working up their goods, our manufacturers have, in many instances, been enabled to reduce their real prices, and thus have augmented but little, or rendered stationary, or positively reduced, their money price. But still in spite of all this, from the almost general increase in the prices of commodities, (for there are but few exceptions,) it is plain that the value of the precious metals has, on the whole, been materially diminished; and that this diminution is partial, not common to other countries, appears by the comparatively low price of foreign corn, against the free introduction of which, as well as of those commodities for the free introduction of which, our agriculturists are contending.

Nor let it be supposed that the difference in price between foreign and British produce proceeds altogether from the different intensity of taxation. That, through the operation of our taxes, the prices of divers commodities have been considerably augmented, is evident enough; but it does not therefore follow, that such taxes affect the prices of all commodities whatever: the price of furze, heath, stone, and wood, seem in no degree whatever to be

enhanced by them. And in respect to grain, as is before remarked, our recent taxes enter comparatively but little, if at all, into the proper composition of its price, notwithstanding the repeated assertions of those who take no pains to investigate the subject to the contrary.* Whether they enter into it at all, we will not here stop to discuss, but observe only that as the increase of taxes does not increase the quantity of the precious metals, and the demand for and supply of corn would probably, notwithstanding the increase of the former, continue relatively the same, it is reasonable to think that a tax on corn would fall at first upon the cultivator, but ultimately on the owner, of the soil, rather than the consumer; and hence, that the price of corn would not be raised by such a tax. By raising it, indeed, the demand would be diminished, and hence ere long the price reduced.

Without further questioning, at present, the reasonableness of extending the importation price of corn in 1804, and again in 1815, in proportion to the depreciation which the currency had suffered at those respective periods; it seems to be of no small moment, if the view which has hitherto been taken of the subject be correct, to consider, now that we are adopting measures leading to a return of

* See p. 39, *supra*.

cash payments, by which it is professedly intended to conform the value of our paper money to that of the precious metals, whether we ought not to provide for the restoration of the value of these by a simultaneous alteration of our corn laws which have so debased them.

If the price of wheat is to be maintained in common seasons, according to these laws, at 80s. the quarter, and the necessity of so maintaining it has over and over again been alleged on the part of the landed interest, nay a still higher average would be demanded—But if this price, which is nearly two-fifths higher than that which prevailed previous to the suspension of cash payments, when the practicable importation price did not exceed 50s. the quarter, for the duty of 2s. 6d. could hardly have operated as a prohibition, excepting on very rare occasions; it is manifest, that, under circumstances such as these a return to cash payments is no effectual restorative of the value of the currency, but merely the shadow and unsubstantial appearance. If such return be attended with no material fall in the price of corn and other commodities, of what utility will the boasted measure prove? If, on the other hand, it be followed, as at no very distant period it may, by some great reduction in the quantity of the circulating medium, a decline in the wages of labour, and the price of all things except of corn in seasons of scarcity,—by the

continued prohibition of the importation of the latter, unless at average prices, calculated as they have been on the supposition of a depreciation of currency no longer existing to the same extent, much distress is likely to prevail. But the prohibition in such a case would be removed. It might be. The greater danger, therefore, to be feared is, that in the mean time the price of corn and other commodities will not so immediately and materially fall, as to afford that nourishment and assistance to the manufacturing branches of the community which already they so much require. So nearly does the present growth of corn correspond with the consumption in this country, that, except in seasons of extraordinary abundance, high prices may long continue to be maintained, as they always may be for articles of necessity, when the supply does not exceed the demand, provided there be money in circulation sufficient for the purpose.

And yet we might almost be induced to think that the precious metals have already begun to acquire a higher value than they lately held in this country. The bullion, as well as the nominal or money price of corn, has at least declined considerably: whether from the abundance of our home and foreign supplies alone, for these appear to have been great, or from a diminution of the relative quantity of our circulating medium, might be disputed. It probably is the effect of both. Though the conse-

quence may seem so much the same to many, that they will heed but little what may be the cause. It is, notwithstanding, of material importance to the public: for the former is in great degree fortuitous, and not to be depended on beyond the season; whilst the latter may be symptomatic of the natural, though possibly dangerous, working for a correction of the evil.

Means indeed there are, to some of which I have alluded, and which have long been safely though slowly operating to raise the value of the precious metals. Not only has corn been imported whenever opportunity has offered, but other raw commodities and manufactured goods, which are exempt from duties, or subject only to such as are trifling in amount, compared with the depreciation of the precious metals. These, it is true, are few in number, and our market may soon be overstocked with them. Still the effect, however small, is to withdraw these metals in exchange, while the inducement to import them is lessened in proportion to their degradation. And the acquisition of such articles as may be imported at a low rate from abroad is further advantageous, as they may give employment to our manufacturers at home, and enable them to work with profit for the foreign market. It is thus, indeed, that our woollen and cotton manufacturers have long preserved their footing, whence they otherwise would probably have been driven

long ago, had the raw materials been subjected to heavy duties. But the policy which, it seems, has lately been adopted in regard to foreign wool, is at variance with these principles: whether with a view to benefit the revenue or the landed interest, or to discourage the export of the precious metals, or accomplish all at once, is not declared:—a weak device, whatever be its object; since it holds out another premium to foreign manufacturers, already much too near us in the race.

But there are other means, and stronger remedies, both natural and moral, to which I also have alluded, and which are likewise constantly at work for the correction of that unnatural and immoral state of things which may be attempted to be forced upon a country; whatever skilful or awkward contrivances the temporizing and mistaken policy of governments may from time to time invent in order to uphold it.

By raising exorbitantly the money price of goods, the demand for them will be diminished. Our manufactures may be rejected at prices, below which they cannot with profit be produced: numbers hitherto employed in working them up, may be deprived of such employment: more general poverty and wretchedness would then ensue. Yet if the capital of the country should not be almost totally extinguished, many would be driven to the further cultivation of the soil at wages materially

diminished; and the quantity of raw produce would hence be proportionally augmented, so as to effect a great reduction of its price, by which the value of the precious metals might be in part restored. But what, perhaps, is not less probable, our population would decline, the demand for the produce of the soil would be lessened: the cultivation of our poorer lands would gradually be abandoned, till those only were retained in cultivation, on which corn might be raised at as small an expense of labour in this as in other countries. The quantity of the precious metals would in the mean time rapidly diminish. With no inducement to import them, though our laws, still further unmindful of the real interests of the community, should positively prohibit the importation of all goods whatever, whether raw or manufactured, excepting under enormous duties, which must recoil upon ourselves. —yet if the inclemencies of our climate should occasionally render necessary large importations of foreign grain, our gold and silver must be exported in exchange. And though such opportunities of withdrawing these metals did not occur, can it for a moment be believed, that, under such a state of things, the course of the exchange would not decline,—that the wealth of individuals would not with themselves be transported whither they could be so much more advantageously employed and

enjoyed? This is no trifling question. The fact is already too notorious.

It can no longer be concealed, that we have already felt, and still severely feel, the evil consequences of this restrictive system; and time, it is to be feared, will only aggravate them, if we persist in our endeavours, our foolish endeavours, to maintain it. It is not to be expected, contrary to all reason and experience, that the ordinary rate of profit upon capital will be relinquished, without some struggle on the part of the manufacturer to retain it. So that if there were no serious danger of his transferring that capital to another country; if this were, as in many cases perhaps it is, impracticable; will he not, must he not, nay has he not been compelled to, reduce the wages of his workmen,—or, which is the same thing, not advance them in proportion to the reduction of the value of the precious metals? A considerable portion of our manufactured goods is destined for the foreign market, where the same reduction in the value of those metals has not taken place. Already, therefore, has it become necessary, in order to preserve our manufacturing preponderancy, that the real wages of manufacturing workmen should be diminished. But diminished as they are, establishments are formed abroad with the view of further competition. So that it is reasonable to expect the prices will be reduced yet lower, till competition on our

part cannot be maintained without material reduction in the prices of the necessaries of life. By their excessive augmentation, the wages of manufacturing labour have in effect been so diminished, and so many have been totally deprived of employment, from the want of demand for the produce of such labour, that their situation has become still more and more distressful: whilst the profits of manufacturing capital have been barely sufficient to keep alive the trade in which it has been vested. Not only have the wings of enterprise been clipped, but humble industry has been clogged. They may linger on awhile during the infancy and paucity of foreign establishments. But how will our master manufacturers be enabled to bear any further reduction of their profits, or workmen of their wages, such as more extended competition may occasion? A few years will, perhaps, determine. The crisis seems fast approaching.

It can hardly be believed, if it could be wished, that skilful artizans will long be content to receive much lower wages, I mean not nominal but real wages, in this than in any other country; but rather that they will migrate from the former as from a land that is blasted, where labour is in vain, or a miserable subsistence only can be procured by it. Yet what if fear or poverty prevent their emigration, and they remain a burthen on their country, unemployed, till, worn down by disease

and want, their numbers be so reduced as at last to become adapted to the supply of the home market only! These, we say, are not merely speculative forebodings, but sad matter of actual observation and experience, arising from the natural course of events now in progress.*

We have reckoned too much on our skill and capital. If the exercise of such skill be underpaid, and the employment of such capital can no longer bring a reasonable profit, they will avail us little. Laws may prohibit the free use of both: but to enslave the one or the other is not to render them really serviceable to the state. An illiberal system of coercion and jealous prohibition cannot, ought not to prosper: it tends to destroy that beautiful order of things which would, ever by the simplest and the mildest means, correct what is rank and purulent in the body mercantile, and guard against

* The expedient lately hit upon of transporting paupers and other volunteers as settlers on the Cape of Good Hope, is a dreadful comment on our system of political economy. We seem to acknowledge a superabundant population—the inadequacy of the soil of the united kingdom to produce sufficient for its maintenance—and yet prohibit the free importation of supplies! If capital alone be wanting for the cultivation of our own soil, which is not otherwise inadequate, how do we improve our condition by sending our surplus labourers to distant quarters of the globe, at no small expense of conveyance and of settlement? Must not the removal of many hands from home render labour more expensive, and therefore a larger quantity of capital requisite to employ it? The disease has been mistaken: no wonder the remedies should fail.

what may be amiss in the distribution of the industry of a people.

The vast exertions of our manufacturers, developed in those admirable systems of machinery which their establishments exhibit,—the effects of combined capital, science, ingenuity, and skill, (favoured, no doubt, by the absence of that competition which the continent of Europe, so long convulsed by war, would, if in a state of tranquillity, have presented,) have hitherto enabled them, not without many risks and losses, and, in some instances, utter failures and total overthrow of fortunes, to maintain a footing in foreign markets, notwithstanding the injurious operation of our corn laws. But our recent discoveries and improvements we cannot reasonably expect exclusively to retain. Neither are our soil and climate so pre-eminent as to be preferred above all others. Even our mercantile policy, it is conceived, may be materially ameliorated, and many of its vexatious restraints removed. France and the United Netherlands, in their regenerate state, free as they may now be considered in their forms of government, and the enjoyment of the fruits of their industry, whilst so small a portion is allotted to their respective creditors and churches, active and enterprising, they will hardly fail to profit from our example, both in creating establishments which may vie with ours, and adopting such commercial regulations as may as effectually encourage them.

So that they will little need that further encouragement which we seem willing to afford them from the overthrow of our own, and, what is more, by the transfer of a part of the capital and skill which supported them.

The reliance placed by some on our monopolies over our colonies in the Eastern and Western Hemispheres, which in a manner force upon them the consumption of many of our manufactured goods, harsh and perhaps impolitic as they are, ought not to mislead us. A spirit of independence has occasionally burst forth. We know what it has already atchieved amongst the North, and is now atchieving amongst the South, Americans,—whose brilliant career may prove not only another example, but another source of immediate encouragement and assistance to their neighbours. While the sceptre of dominion which we hold in the East, accompanied as it is with scales of justice unknown to the despotism which before prevailed there, is an object of jealousy and aversion to the prostrate princes which it has subdued: and though no danger were reasonably to be apprehended from them, yet may itself ere long, in the pride of victory, and impatience of distant mercantile controul, bid defiance to the state from which its power and authority originally emanated.

But however strong the hold we have upon our colonies, and however arbitrary our rule over them

in respect to all commercial affairs, the loss of independent foreign markets, such as those to which we have been accustomed, cannot but prove extensively ruinous to our trade. We have found it so already. There may be some who think but meanly of this trade, and care but little for its complete extinction, fondly imagining we might prosper well without it; that still the land would yield its increase, and its owners flourish. With political empiries such as these it is not worth while to argue seriously. Tell them that multitudes will be deprived of all employment, that our revenue will decline, that our government will be bankrupt, it is of no avail: the land will yet survive, and with them the land is every thing.

But can all these fatal consequences have been considered by the Legislature? If the average price of wheat is to be maintained at 80s. that is, by the Mint regulations, above an ounce of standard gold, and nearly fourteen ounces and a half of standard silver, the quarter, and of other grain proportionally, is it possible this country can long withstand a competition, even as to manufactures, with other states?

Without pretending to any more than a very slight and superficial knowledge of their resources, or of the actual reduction of the value of gold and silver, if actually reduced throughout the world, it surely must occur to every man's reflection, that to

fix the price of wheat at so high a limit is to lower the value of these metals to such an extraordinary degree, if they can be so lowered, as must be attended with consequences the most alarming, not only to the trade and manufactures, but even the agriculture of the country. Is it possible, that if corn, and with it the other necessities of life, can be raised abroad, if not transmitted hither, at less or little more than half the expense at which it is raised by us at home, which I apprehend is not denied, we shall not only lose all foreign custom for our raw and manufactured produce, but a great part also of our manufacturing capital itself?

And are the uncertain advantages of our independence on foreign supplies, even if the necessary result of the present system of our corn laws, which may confidently be denied, and pronounced rather incompatible with them, to be purchased by such certain and extensive mischief as this? Is it fit, we should expend our labour and capital on land comparatively so unproductive, for the sake of an ideal good, when the probability or rather absolute certainty exists, that occasional deficiencies of crops will render foreign aid at times quite indispensable, and compel us then to waste our wealth in enriching other states, in the manner and to the extent which we have lately done?*

* Had corn been moderate in price, not only would a less sum have been payable, but a smaller quantity would probably have been imported.

purchasing our independence by raising the price of corn, and all other commodities, to twice their natural amount in gold and silver, is such a stretch of policy, such a master-stroke of statesmanship, as probably but few can understand.

What though it were admitted, that, for the sake of giving such encouragement to agriculture as might perhaps ensure a growth in common years commensurate with the consumption, it would be wise and politic to impose a trivial duty on the importation of foreign, or grant a trivial bounty on the exportation of British, corn; and thus to suffer the value of the precious metals to continue at a rate, in a small degree below that in which they are held by surrounding states; is it thence to be inferred, that their value here ought forcibly to be reduced one half, or more, or in any degree so far, below the average of foreign markets, as to put in jeopardy the industry of the people, or to compromise the character of the government as a debtor?

Yet not content with even the existing regulations, there are those who still persist in urging the expediency of more rigorous restrictions on the corn trade than those which now exist, wholly overlooking the plain argument so often used before, that, by greatly lowering its price, the precious metals would no longer be an object peculiarly sought for here in preference to other articles, and the importation of foreign grain would

cease to be attended with extraordinary profit ; that, if rendered here nearly at the same rate as in foreign markets, there would probably be no inducement to import rather than export it.

The expediency of our present corn laws appears in truth to depend upon the existence of these laws themselves. Repeal them, and no such expediency will exist. It must be confessed, indeed, that whatever advantages were derived from the previous laws, were almost wholly counteracted by the depreciation of our currency. So that if the principle were founded in good policy, and at all events to be maintained, it became expedient to adjust them afresh to the altered condition of the currency, unless the value of this were itself restored. Unfortunately, the labours of those who chiefly undertook the cause of the landed interest were directed mainly to the former measure rather than the latter. Yet venturing to deny, as we do, the policy of prohibiting the introduction of all foreign raw produce, which can at any rate of expense, however extravagant, be raised at home, especially of corn, as an encouragement to the cultivation of land, on which, in a national point of view, no capital can profitably be expended, or not so profitably as in divers other branches of industry ; we hold such measure to be a rash misguidance of the natural energies of a people—a mischievous counteraction and impedi-

ment to their attainment of wealth and prosperity, by the most direct and easy means within their reach.

Whatever nominal or money price we may endeavour to affix to corn, its real value must be estimated by the quantity of labour it can purchase, not of that improvidently laid out on its production. It is, therefore, vain, or worse, to attempt, though even for a time only, to enhance its real value by restrictive regulations; which are calculated rather to affect the value of the precious metals, and to drive them (contrary, perhaps, to the intention) from this country, since they cannot for ever be retained where they have become least valuable.

The reader will excuse the tedious prosecution of the question. But the plainest inferences of reason have been denied: the plainest facts have been perverted: a new system has been broached, founded, it may be suspected, in fraud, raised in error, and upheld by ignorance. To the landed interest every other is to be sacrificed: the weight it carries with the legislature we have already witnessed, and are fearful of its vast preponderancy. But let the landed interest beware: it uses a two-edged sword, which recoils with vigour on itself.

Agriculturists complain, indeed, of the greater encouragement afforded, as they affirm, to manufacturers in preference to themselves; while the encouragement afforded to themselves is not only in preference, but highly injurious, to all other

classes of the people. Notwithstanding the reproach of monopoly with which our manufacturers have been assailed, by their exertions and their sacrifices they have kept alive the spark of commerce; they have contrived to send to foreign markets goods which have been exchanged for foreign articles saleable at home, after payment of heavy importation duties for the service of the state: they have given employment to the poor: they have encouraged population, and thus contributed largely to the strength and resources of the empire; enabling it to maintain a high place amongst nations, to establish unbounded confidence in its resources, to extend its colonies to distant quarters of the globe, and conduct its armies to glory and conquest. In doing this, they have necessarily occasioned an increase of the demand for the produce of the soil; thus causing, as it were, extensive wastes to be brought into cultivation, which would otherwise have yielded only a scanty profit to their owners. And whilst the general real rise of rent or value of land, the consequence of this march in wealth, has proved highly beneficial to land-owners, a present market has also been afforded them for the purchase of almost all commodities of convenience and luxury at as low a rate as the price of the necessities of life, and operation of the taxes, would permit. Had the price of commodities in general kept pace with that

of corn, our trade would more rapidly have declined, our finances been overwhelmed with still greater difficulties, and the ruin of the country more than half, if not perfectly, accomplished long ago.

Can the promoters of these rigorous restrictions on the corn trade think of, or, thinking of, care for, the evil which their principles, when carried even to their present extent, must inevitably produce? the distress and ruin they must occasion, not only in their operation upon those whose property is thus in effect materially deteriorated, but upon those also who have nothing but their industry to depend on for support, the multitudes thrown out of employment, or receiving only a wretched pittance for their labours! What is the limit which these agricultural reformers, call them rather revolutionists, would put to the privations of the manufacturers? Would they reduce them to the lowest possible state but that of most absolute and utter penury, an inability to purchase any thing beyond the merest necessities? to any point but that of rendering them chargeable on their parishes? But they have not stopped at this. This, indeed, is the practical consummation of their principles; the natural, though by them the unforeseen, issue of their labours. In vain may they establish banks for savings, and project new schemes for emigration, in order to reduce the poor's-rates. How, with diminished means, will our artizans be

enabled to lay aside a weekly or a monthly saving for the future day of want? It is well if they provide only for the present.* What profit will arise from this attempt to rid the country of its poor, by transporting them to distant quarters of the globe? If the seeds of poverty continue to be sown and cherished among us, it is to be feared we shall see no end of its growth. But we deprive the country of the sinews of its strength, if we dismiss our labouring classes from its shores. It is employment only which they want; and this will best enrich the state where capital abounds. Repeal those laws which stand as obstacles in the way of their employment, and allow our capital the exercise of all its force. We talk of the demoralizing effect of the poor laws: does not the denial of fair remuneration for their labours, exorbitant high prices of the necessaries of life, and lack of regular employment, tend still more to demoralize the poor? and is not the system now pursued pregnant with those evil consequences?

If our manufacturers continue to be undersold in the foreign market; if their goods continue to be thrown back upon their hands, and inadequate or no returns be made for them; it is not only in the impoverished condition of the working classes,

* It is to be suspected, that much of the investments in Savings' Banks has not been made by persons who would otherwise become chargeable on their parishes, but by those of a higher class,

and the heavy charges brought in consequence on the land, but in a diminished public revenue, that we shall feel the effects of the present system; in our inability to discharge the interest of the public debt, even in a currency more depreciated than the present. But our agricultural petitioners* are well prepared for such a crisis. They would annihilate, perhaps, the whole, as they would now annihilate a part, of the public debt. Disinterested, enlightened patriots! They would render us a wretched people,—a thing of nought,—a by-word amongst nations. Nor would they themselves escape from the common ruin. Their creditors would hardly, in this career to perdition, permit them to hold as theirs what might most fairly be deemed pledged to themselves. Neither would starving artizans and manufacturers, any more than starving creditors, be disposed to leave the self-styled land proprietors, or their tenants, in peaceable possession, without some struggle to obtain a due proportion of that land or its produce. Our musty parchments would not avail us. Our seats of justice would be overturned; or those who should

* God forbid, that all comprised in this denomination should be influenced by one and the same spirit of selfishness! But the coolness with which certain gentlemen speak of the abolition of the debt is truly astonishing. They would hang a man for feloniously taking a bank-note, or stealing a fat wether, but think it good substantial justice to cancel government securities. With them, the magnitude of a crime seems to be its best apology.

dare to sit on them, would no longer respect the ideal rights of men who valued not the real rights of others. A new order of property would arise; whether founded in equity or iniquity, no matter; it at least might have the plea of uncontrollable necessity.

But suppose this torrent of desolation to be arrested in its course, and that the arm of partial law should be sufficiently powerful to protect exclusively the landed interest, to which all other interests are destined to succumb, and by turns be sacrificed. Do we wish for such protection and such sacrifice? Is it decent, in a moral light, that patient industry should be so ill requited, for the sake of promoting the mistaken views of a set of men intent only on the advancement of their own peculiar interests, and anxiously striving to establish a monopoly more terrible than all other monopolies whatever? Is it fit, the currency should be first depreciated by an excessive issue of Bank paper, unexchangeable for the precious metals; the value of these be afterwards lowered by means of restrictions on the corn trade nearly to the same extent; for the sake of obviating in part the effects of the depreciation of the former on the landed interest, in destroying the previous monopoly which it had enjoyed; so that the same class should virtually evade its fair contribution towards the public exigencies, and discharge of their private debts, by

enhancing the prices of the produce of their land, and compelling the purchase of it at the prices so enhanced; the creditors of government, and all other money claimants, of whatever description, being left without remedy for the injury they thus sustain?

It may seem illiberal and harsh to say, that these were the ends contemplated by those who have been foremost in promoting the measures which have led to them. Yet how otherwise do such measures benefit the landed interest? Why, otherwise, is it anxious not only to continue them, but to extend them still further? That the suspension of cash payments has been continued hitherto with a view to facilitate the payment of, in other words, to reduce the interest on, the public debt, there seems, indeed, but too much reason to suspect; and little less, that, with the same view, the restrictions on our corn trade have hitherto, and are henceforth sought to be, continued; the measures seem so much in unison with each other, and as parts of the same symphony. But, whatever may have been the original and main or secondary objects proposed in maintaining an excessive paper currency and monopoly in the corn trade, it is high time to terminate them both: not rashly, and without consideration, but with ample provision for the consequences, and in a manner most consonant to justice.

It is, therefore, to be hoped, now that the first steps are taken towards a return to cash payments, this may be rendered more substantially complete by being accompanied with a repeal of our present corn trade laws ; lest from our neglect to accomplish both, we stand accused of a wilful and dishonourable breach of public and of private faith, a fraud upon the public and the private creditor ; such as ought not for a moment to be tolerated, but so exposed that it may meet with the scorn and opprobrium which it merits.

Nor let it be objected, that, by a return to cash payments and repeal of these obnoxious laws, the excess of currency and degradation of the precious metals being corrected, debtors, public and private, would, in many instances, become liable to pay intrinsically more than what is due ; for appropriate laws may be timely enacted, providing remedies for their respective cases.* But let us not persist in this system of iniquity, or afford countenance to those who are so eager to extend it. Let them be taught rather how their interests may be maintained without any violation of the rights of others. Instead of petitioning for further restrictions on the corn trade, and the exclusion of all foreign produce, such as can be raised at home, let them petition for the restriction of paper money issues, till the precious metals be brought into circulation without risk of

* See p. 63, *supra*.

being exported; for the reduction of lately augmented pay and salaries;—for the regulation of the public and every private debt. If obstacles such as these be removed, our corn laws may be repealed without the shadow of an injury to the landed interest, to landlords or their tenants; and with great advantage to the community at large. If the present system be really beneficial to some, it is injurious to others: if it favour the debtor, it wrongs the creditor. But it is the worst of errors, or if not of errors, the worst of truths, to believe that injustice will prosper to the end.

But, perhaps, it was only to support the paper currency, to prevent the depression of the exchange, to reduce the price of gold and silver, so that their value might be approximated to the value of the currency, and the credit of the latter be redeemed, that the corn trade laws have been re-modelled;—a mere scheme of policy adopted, not so much to favour and indemnify the landed interest, as to confound the principles of those who looked for proofs of the currency's depreciation no farther than the state of the exchange, and price of gold and silver. And, indeed, we must confess, that had the currency been left to its own natural fate, its depreciation would have continued all along so grossly manifest from the course of the exchange and price of gold and silver, that it could not decently have been denied; and measures, therefore,

must earlier have been adopted to correct the evil. But by altering our corn laws, and fitting them to the depreciation, the subject has, it seems, according to the aim of these crafty politicians, been really so confounded in the eyes of many, and, as it may be suspected, also in their own eyes ; that, though the currency does not appear to have been materially diminished in amount, its value is commonly conceived to be restored ; because, forsooth, the course of the exchange has latterly been favourable, and the market price of gold and silver does not exceed the Mint price : the certain fact of those metals' gross depreciation being overlooked, though manifested by the continual high price of corn and commodities in general.—A fact the more remarkable, from the extensive mischief which has attended it, and the danger with which it threatens us of more.

Were it not for this, to what still higher pitch might our manufactures rise ! Even now, but with difficulty indeed, they maintain a footing in the foreign market, where the contest, as it is for life, is almost deadly to both parties. The energies of our rivals, till lately dormant, have been excited by our own improvidence ; and their awakened jealousies have naturally led them to throw fresh obstacles in the way of our success. By a more liberal policy in regard to the trade in corn, which would enable us to purchase and produce the necessaries of

life at a far more reasonable rate, our goods might be worked up, and rendered at so low a price, as would effectually beat down all attempt at foreign competition for many years to come. The returns of profit and accumulation of active capital would contribute greatly to the resources of the country, whilst the encouragement given to our manufacturing population would be so effectual, that the demand for the produce of our soil, not for corn alone, but every other article of necessity, if not of luxury, would be amazingly augmented—and thus far more important benefits bestowed on land-owners than they can reasonably hope to reap under the withering system of high prices. Manufacturing and other labourers might then, as formerly, be enabled to maintain their families in decent independence of all but their own industry; and hence contribute most effectually to the reduction of the poor's-rates, whilst, at the same time, a larger share of comforts and enjoyments would lie within the reach of many other classes of the people.

And who amongst us would be really injured? Would even they, whose land is forced beyond its natural powers to raise productions which might be obtained at much less cost of labour from abroad? They would be divested of the privilege of taxing others to defray the charges of their own improvident speculations. They would cease to employ

their capital, as heretofore, and abandon tillage for pasturage; or both, perhaps, for planting and forwarding the growth of copse or timber. And well would it have been for many had they received an earlier check, and striven less to overcome the strong propensities of inanimate yet stubborn nature.

That rents would nominally fall is true. But if they fall only in proportion to the prices of commodities they would not in effect be less valuable. Landlords would not be less capable of procuring all the comforts and enjoyments which they now possess, without deriving them from the injury of others. Rents, however, which arise under old leases might fairly be considered as in reality improved; and such improvement set against the possibly heavier pressure which certain taxes might be said to impart. Whilst, from the probable necessity of raising large supplies in time of war by taxes upon property, or other subjects of assessment, the termination of a perpetually increasing depreciation of the currency could not but be advantageous to all whose incomes were not increasing in as great proportion.

It is not to be dissembled that the revenue would decline; that, indeed, it would become expedient to lower many of the existing duties; but the necessary expenditure of the Government would be diminished in the same proportion. The public creditors would, doubtless, well be satisfied, or

ought to be so, if paid according to the value of the money lent: their condition would, in many instances be much improved. Whilst that of all the various officers of Government would suffer no material change by the merely nominal reduction of their salaries. And, on the whole, the pressure of the taxes would not be so severely felt as now it is, because it then would be more equally distributed.

To say there are difficulties in the way of such arrangements as we contemplate is no sufficient argument for shrinking from the duty of attempting them. To be deterred from acting justly, to persist in gross iniquity upon such a plea as this, is not the admitted rule of human conduct in matters of comparatively trivial importance: it ought not to be in those of the very highest; for such, when viewed in all relations, we must consider the condition of our currency, and the means of procuring the necessaries of life;—on the first of which the security of property, and on the last the very existence of a people, evidently depend.

But to maintain that it is any but the most profligate abuse of power, arbitrarily to deprive any portion of the people of their fairly earned, undoubted due, for the sake of bestowing it unmeritedly on another, is to attempt the overthrow of the most sacred principles of human society. Cases may arise in which the laws as they exist cannot enforce just retribution; but to legalize

most palpable injustice is treason against mankind. What shall we say of those who would urge the Legislature to such an act? And though not, perhaps, immediately and manifestly comprehended within that description of offence, yet to hold that it is good economy and sound policy unnecessarily to augment the prices of the necessities of life, is to hold a doctrine which, I believe, at all times but the present would not only have been rejected as unreasonable, but ridiculed and abhorred from its gross folly and its cruelty. Heavy duties have been laid on the export of provisions, with a view to prevent their removal, or obtain a revenue; on their import partly, perhaps, for the latter purpose, but mainly to encourage home production,—not (avowedly at least) to enhance the price, but rather to reduce it. May such, before it be too late, prove the real (however unexpected, unintended, and improbable) result of our present corn laws, if the Legislature be resolved on their continuance. *Before it be too late*: before rival manufacturers expel us from foreign markets, and British capital be transferred to foreign shores.

Our situation is appalling, but not hopeless. It may be that we are on the very verge of ruin, yet we may escape. It seems we are reduced to this dilemma,—either the bullion price of corn or our manufacturing prosperity must decline considerably lower. In the former case it may be expedient

nominally to cancel a portion of the public debt, but on such equitable principles as would in reality leave little just ground of complaint to the public creditor. In the latter, it seems utterly improbable that the public debt should not in part be cancelled, if not nominally, yet effectually, through more absolute, unqualified, and real bankruptcy; and with so much the more calamitous result, because the means of meeting the fair demands of the public creditor must become materially diminished.

Since the preceding sheets have been put to press, Mr. Malthus's recent publication on Political Economy has been in my hands; and from a slight inspection of its contents I find, that, whatever were his previous notions, he here observes, that "there is no duty which ought to be held more
 " sacred on the part of the administrators of govern-
 " ment than to prevent any variations of the cur-
 " rency beyond those which necessarily belong to
 " the varying value of the precious metals:"
 (*Note, p. 185:*) notwithstanding, in the pre-

ceding portion of his work, (ch. iii. s. 9.) he appears still to incline to the doctrine of restrictions on the corn trade ; which, under the peculiar circumstances in which this country is placed, it is difficult to shew have not only a tendency, but are verily the result of an intention, on the part at least of some of our legislators, to vary the value of the precious metals. Nay, is not their operation at the present moment mainly pointed against the public creditors ? But they are not therefore *necessary*. Neither can they be fairly deemed so advantageous to the state as Mr. M. seems to apprehend them to be, upon the ground of the greater profit which he supposes the state to enjoy from capital employed in agriculture than in manufacture and commerce ; when, in order to obtain that higher profit, the price of the necessaries of life must be maintained above, and hence the profits of manufacture and commerce reduced below, their natural level ; more especially when we bring into account what Mr. M. expressly has omitted, the value of the land itself, as part, and no small part it is, of the capital from which a profit might arise, if vested in commerce or in manufacture.

Table of the Prices of Gold and Wheat.

Price of Gold per Oz.				Price of Wheat per Qr			
	£.	s.	d.		£.	s.	d.
1790 —	3	17	6	.....	2	13	2
1 —	3	17	6	.....	2	7	0
2 —	3	17	6	.....	2	2	11
3 —	3	17	6	.....	2	8	11
4 —	3	17	6	.....	2	11	8
5 —	3	17	6	.....	3	14	2
6 —	3	17	6	.....	3	17	1
7 —	3	17	7½	.....	2	13	1
8 —	3	17	10½	.....	2	10	3
9 —	3	17	9	.....	3	7	6
1800 —	4	5	0	.....	5	13	7
1 —	4	4	0	.....	5	18	3
2 —	4	3	6	.....	3	7	5
3 —	3	19	0	.....	2	16	6
4 —	4	0	0	.....	3	0	1
5 —	4	0	0	.....	4	7	10
6 —	4	0	0	.....	3	19	0
7 —	4	0	0	.....	3	13	3
8 —	4	0	0	.....	3	19	0
9 —	4	10	11	.....	4	15	7
*1810 —	4	7	5½	.....	5	7	0
1 —	4	14	10	.....	4	17	0
2 —	5	0	3½	.....	6	8	0
3 —	5	6	1½	.....	5	7	10½
4 —	4	16	7	.....	3	14	7½
5 —	4	12	1	.....	3	4	4½
6 —	4	0	2	.....	3	15	1½
7 —	3	19	5	.....	4	14	4½
8 —	4	1	7½	.....	4	4	2½
9 —	3	19	5	.....	3	14	0½

* The prices from this period may in some instances be a little above the average of standard gold, in consequence of the price of Spanish doubloons being occasionally included in the average, when neither Portugal coin nor bar gold appear in the returns.



APPENDIX.



A LETTER TO *—*—*—*—*—,

On the Substance of Rent.



DEAR *——,

HOW far the progress of events may have induced you to abandon opinions which resisted all the force of argument formerly employed against them—whether you still conceive that at no time has the currency of the country exceeded its due measure, that it was good there should be a redundant medium of circulation, and that the Bank of England, and Country Banks, should vie with, and strive to exceed, each other in the profusion of their paper issues,—or, retiring gradually from that dangerous and now untenable position, you hold only that their excess was a necessary evil, great indeed and alarming, but under the influence of which our national independence, and that of Europe in general, if not our exclusive commercial

prosperity, were maintained and promoted:—Whether to either of these opinions you still adhere, our late infrequent communication with each other has not enabled me with certainty to discover. Your good sense, however, if I mistake not, arguing from the experience of the five or six last years, will hardly fail to ascribe to the proper cause that rapid decline in the price of almost all articles whatever, and that almost general backwardness, if not absolute failure, in the payment of lately augmented rents, which have been so notorious throughout the country.

It scarcely can have escaped your observation, that two great evils are liable to attach to a paper currency; the one an excessive augmentation, the other a too sudden diminution of its quantity. For we have evidently experienced both. It more particularly concerned you to mark the effects which they produced on property in land; the subject to which I beg leave to call your present attention.

The advantage which for a time accrued from the former to tenants under lease, was most decisive, and exactly proportionate to the injury sustained by landlords, which could not well be guarded against in the established form of renting under the special provisions which had been enacted to uphold the currency. At the expiration of a lease, indeed, the rents might be increased according to its actual depreciation, but not to the further depre-

ciation which it might afterwards be destined to undergo. Neither did the rise which since has happened to take place in the value of the currency much avail them to repair the losses which landlords had sustained during its greater depreciation. For when the period arrived, in which a check was given to the issue of Bank paper, and a reduction suddenly took place, but few continued to receive their full augmented rents. Some missed them altogether, and became burthened with an unprofitable, if not expensive, self-occupation of their land.

In the uncertainty whether the paper money system is shortly to be terminated for a season only, or for ever—whether the value of our gold coin is to be reduced after the example of our silver coin, or continue at its present standard—yet without some strong assurance that the former will not be revived, and notwithstanding the strong assurance that the latter will undergo no alteration, you will acknowledge it is of importance that some better rule should be constructed for the adjustment of a reasonably durable and sufficient rent. The average nominal or money price of agricultural produce which was wont to be our guide, is now no longer to be relied upon. Such rapid rise and declension as we have latterly experienced, can afford no just criterion of the probable level at which the price may settle for the space of two or three, still less of seven, fourteen, or one and twenty years. Contracts embracing

such terms as these are hazardous and foolish: yet the inconvenience and mischief to landlord as well as tenant, from short and uncertain occupation, are sufficiently well known and felt by both; so that it is difficult to resolve what course they should pursue.

To return to the long exploded custom of reserving rents in stated quantities of corn, or its estimated yearly average value in current money, is inconvenient in practice, and liable to some abuse, but most distressing to the tenant, in case of a deficient harvest; with much of the objection, but less of the advantage, which attaches to the payment of tithes in kind, the principle of which has long been matter of so much reprobation, and the practice of no small trouble and dispute, not to add of reprobation likewise.

From the comparatively trivial variation which was observed in the value of silver throughout a long course of years previous to the discovery of South-America, and which, except during the temporary glut consequent upon that event, has since been experienced, it naturally became a most approved measure of value, and was deemed the fittest medium of compensation for the use of land, as well as for the circulation of commodities in general,—till it was in great part superseded by the more common application of gold to the like purposes, which was sanctioned by the declaration of the Legislature that silver should not be a legal

tender beyond the sum of five and twenty pounds. No serious difficulty appears to have resulted from the use of these metals, which was not overbalanced by the facilities they yielded. If in time of war the demand for gold and silver happened to be so great as to render them more scarce, the effect, so far as it regarded the lessees of land, seems to have been in great measure, if not wholly, counteracted, by the brisk demand for its raw produce, which prevented any great reduction of the price. Nor was it till the refined policy and supposed necessities of Government had induced it to put aside the established securities of property, and in a manner to set at nought the plain assurances of written contracts, by giving to a depreciated paper currency nearly all the practical force of a legal tender, that any very material injury or inconvenience arose from the partial substitution of Bank paper in lieu of gold and silver, into which it might at any time, without loss, have been converted. On the contrary, much advantage was derived from the ready means of transfer which it afforded, as well as from the large amount of capital which it rescued from unprofitable inactivity.

That there was, however, a gradual diminution in the value of the precious metals, during the latter part of the last century, is reasonably to be inferred, from the increased price of corn and divers other commodities prior to the suspension of cash pay-

ments in 1797. Whether that diminution of value was general throughout Europe, or more particularly confined to this and some few other countries, it is unnecessary here to inquire; though it might afford some satisfaction, and indeed be highly expedient for certain purposes to know. The evil which may thus have resulted, however, from the gradual relative increase of the precious metals, can have affected but little the general interests of landlords; or if it have in any material degree, it must be rather beneficially than otherwise, except in cases where their lands were leased for lives, or long terms of years. Since the loss from insufficiency of rent, on terms for seven, fourteen, or one and twenty, could have been but trifling; whilst charges of long standing, such as younger children's portions, annuities by way of jointure, and other rent-charges, chief rents, and mortgages, as well as sundry taxes. all must have become somewhat lighter in their pressure from the gradual augmentation which in a long course of time had been effected in the amount of rents. It was the ancient money claimant upon land who sustained important injury.

But it is needless to discuss at large the particular advantage of a system which so long prevailed, without any question as to its propriety; or to deplore the substitution of another in its stead, which has led to such distress and difficulty. It were better shortly to point out the simple mode in which

the precious metals may be again employed as the material of rent ; and to offer such remarks upon it, and on the measures by which it ought to be accompanied, as appear of most importance.

Simple indeed you must esteem the mode, by which no more is meant than that a specific weight of standard gold or silver, instead of legal money, should be reserved by way of rent, for such is the sum of my expedient ;*—no matter then how greatly or how suddenly the quantity of Bank paper be augmented or diminished, whether fifty or five and twenty millions be in circulation. The condition of the landlord and his tenant would be the same in reference to each other. Nor can it be maintained, that in this project there is any innovation, properly so called ; but, on the contrary, a near recurrence only to our former practice, which the suspension of cash payments has disturbed, and rendered quite unfeasible, according to the usual form of reservation. For whether the rent consist of gold in the current coin of Great-Britain, the coin of Portugal, or bars of gold, provided they be of the same intrinsic value, is of little moment. But the

* The method here proposed for preventing the deterioration of rent, which may otherwise proceed from a depreciation of the currency, appears so natural, that the writer hardly can imagine it has not elsewhere been suggested. He has, however, neither heard nor seen it in conversation or in print,—a circumstance which almost leads him to suspect there may be difficulties attending it which he has not yet been able to discover.

first, by being lessened in its circulating value, from the excessive issue of Bank paper, and liable hereafter to further alteration, seems less adapted for the purposes of rent than foreign coin or bullion, which are free from that objection.

Against the method here proposed if it be alleged that we have not gold sufficient to answer the increased demand which would arise, in case it should become the common medium or material of rent throughout the kingdom; it may be answered, that such rents could not all at once be created, but present leases must expire, and in proportion to the scarcity of gold and silver must such rents inevitably decline. Moreover, the like argument might, with equal reason, have been urged against the reservation of all rents in legal money prior to the suspension of cash payments; for such rents were strictly payable in gold and silver coin, which consisted of a part only of those metals floating in the country. So long, indeed, as the currency continued undepreciated, there need be little doubt that Bank paper would, in almost every instance, be preferred; and in case only of its gross depreciation would bullion payments, or their value in Bank paper, be insisted on; whence, perhaps, the circulation of the latter might be reduced within more narrow limits, and its value be more equably preserved. Should it, however, unfortunately again happen that the supposed necessities of Government

compel it to cause a larger portion of Bank paper to be put into circulation than is consistent with the integrity of its value, landlords entitled to such bullion rents would continue harmless ; unless by some imprudent, I had almost said insane, act of the legislature, (which, constituted as it is, one hardly can suppose it would be brought to entertain,) the condition of their grants should be virtually and expressly set aside, or arbitrarily altered.

It is true that the expedient to which Lord King resorted was effectually counteracted by the legislature : but though the rule which his Lordship ventured to adopt differed but little in principle from that which has been here suggested, yet the danger which was threatened by his example being partially followed in case of newly-created rents was extreme ; for the power with which he was invested would have enabled him to recover the whole amount of rent reserved in legal coin,—though his Lordship was content with so much only as was equivalent in value to the quantity of gold which the sum reserved by way of rent would have commanded in the market, at the period of his contract. But others less conscientious might, notwithstanding, if preventive laws had not been introduced, have insisted on the payment of the rent reserved in full in legal coin ; though their leases had been granted subsequent to the suspension of cash payments, and at the time of contract the Mint price of

the precious metals was far exceeded by the market price; so that tenants under recent leases might have been damnified to as great extent as landlords under old have been.

It must, however, be admitted, that, during the operation of our present corn trade laws, there is no assurance of that steadiness of value even in the precious metals themselves, which is so necessary to constitute a fit material of rent. By the alterations which were made in 1804, and again in 1815, their value appears to have been so suddenly and greatly lowered, that they scarcely seemed a fit measure for the value of commodities from year to year; and as it is not at all improbable they will again advance in value, gradually if not suddenly, and slowly if not rapidly, there may be reasonable objection, in the present state of things, to the mode which has been here proposed of reserving rents in bullion; indeed the same objection as has been urged against a reservation of the legal coin or paper of the Bank of England. Though the precious metals being, as it were, the basis of the former, of which the latter purports to be only the representative,—sorry, we might almost add treacherous, representative, as it has proved itself to be,—seems liable to that objection in the least degree.

It was, indeed, an unanswered argument (used if I rightly recollect by Mr. Brougham) against the alteration of our corn laws, that the value of the

precious metals would be thereby altered,—perhaps an unheeded argument,—the force of which, however, needs not to be practically confirmed. And if there were no prospect of the restoration of their value, either by the repeal of the subsisting laws, or by the natural operation of our commercial intercourse with foreign states; or if, after such restoration, any well-grounded fear should be entertained of the enactment of other laws, whereby the value might be again disturbed, it were absurd to plead for their introduction and employment for the purpose which has been specified. But if no solid proof of the necessity or utility of degrading the value of the precious metals in this, below that in which they are held in every other, country, can be adduced,—I regard not the convenience of a day, nor the pitiful machinery which may be set to work in support of a tottering, unstable fabric of finance, nor the mean shifts and subterfuges which may be devised, to escape from the full and fair performance of public as well as private pecuniary engagements; these are not occasions of sufficient importance; these are not grounds of proof of the necessity or utility of departing from the known maxims and sound practices of impartial justice.—If no stronger grounds than these can be exhibited, why are not the present corn trade laws repealed, before they generate still greater mischief? Why are not gold

and silver suffered freely to attain their natural level? Where is the wisdom of degrading them, when by most simple regulations the ends of justice may be met consistently with the preservation of their due value, and cannot possibly without it? If it were for the sake only of maintaining a fit medium of compensation for the usufruct of land, (for after all, what other medium can serve the purpose half so well,) it were surely a sufficient reason to satisfy the land proprietor at least of the expedience of restoring that value.

That the legislature which listened and assented to the prayer for the alteration of our corn trade laws, and subjected it to fresh and rigorous restrictions, would more gladly join in a repeal of these, if prayed for also on the part of the landed interest, we would not for a moment doubt.

But though the best, perhaps the only proper, means of insuring an uniformity of value to the precious metals, is the reduction of the importation price of corn nearly to the common level of surrounding countries; yet, probably without much inconvenience, it might be fixed so far above that level as would, in seasons of deficient home supply, secure the native cultivator from loss too heavy to be borne: the expense indeed of freightage from distant parts abroad would well nigh serve as a protection: but the rent with which his land should be charged ought not to be fixed so high as to distress him under casual

losses. It may be enough, therefore, if we return to that comparatively liberal system which allowed of importation when the average price of wheat was 48s. or 50s. (subject to the duty of 2s. 6d. only) the quarter, and of other grain in proportion, when much of our native produce was exported for the foreign market. Had that system been continued, and rents been payable in undepreciated paper, coin, or bullion only, they might also have continued with little variation in nominal amount, unless the quantity of gold and silver were relatively augmented. But the increase of demand for its productions, in consequence of the increase in our population, would, in reality, have enhanced the value of our land, and tended to increase its produce.

One thing more, however, you must be aware would in justice be required, should we recur to those regulations of the corn trade which were in force during the greater part of the last century, and the provisions which have been lately made for a return to cash payments should be carried into their complete effect. Specific money contracts of a date posterior to the depreciation of our currency must be newly modified; a step which the latter measure would probably of itself have rendered necessary, when the value of the precious metals were restored, which they eventually would be, though without the aid of any legislative enactment: for by greatly raising the value of the precious metals, any con-

siderable excess of paper money would soon become apparent, and their nominal price would quickly rise in proportion to that excess ; so that it would become expedient without delay to narrow the issue of such paper money, and thus in effect to reduce considerably the quantity, and raise proportionally the value, of the currency in general. Hence to discharge a debt contracted ten or fifteen years ago, a sum equivalent in worth to two-fifths more than that which actually was borrowed, might be requisite, should no provisions such as have been mentioned be made in time to meet the several cases. Into the detail of these provisions it is not necessary, however, here to enter. Another object was before me, which I trust I have not been altogether unsuccessful in my endeavours to attain ; and that your endeavours will not be wanting in the proper place, and at the proper season, to forward the good cause of reformation, where you cannot but admit it now is almost indispensable.

May, 1820.

Yours, &c.

FINIS.

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